

Herald Tribune

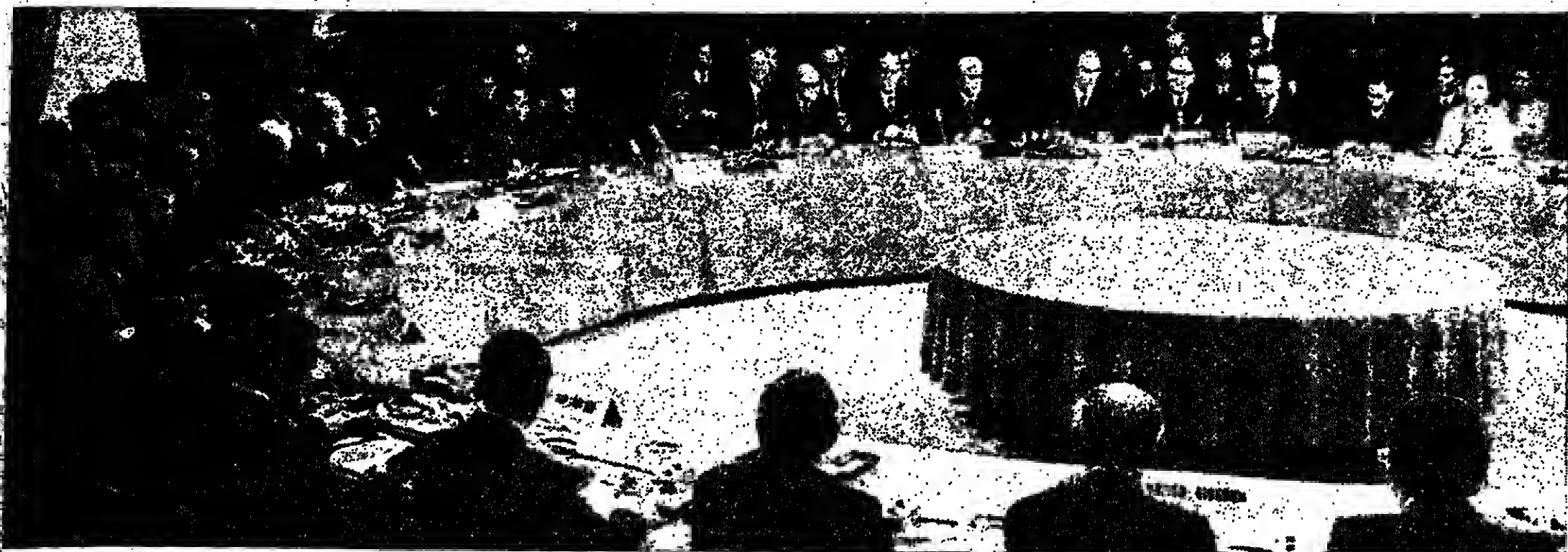
Published with The New York Times and The Washington Post

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| Austria | 2.50 | Belgium | 1.50 | Denmark | 1.50 | France | 1.50 | Germany | 1.50 | Italy | 1.50 | Japan | 1.50 | Netherlands | 1.50 | Portugal | 1.50 | Spain | 1.50 | Sweden | 1.50 | Switzerland | 1.50 | Turkey | 1.50 | U.S. Military | 1.50 | Yugoslavia | 1.50 |
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28,031

PARIS, TUESDAY, FEBRUARY 27, 1973

Established 1887



ROUND THE TABLE—Opening session of 12-nation international conference on Vietnam in Paris yesterday. Viet Cong delegation is at extreme

right background (Mrs. Binh in white). Others include the French, next to the Viet Cong, then the American, the Chinese, the Canadian and the Russian.

U.S., N. Vietnam In Disaccord at Parley in Paris

By James Goldborough

PARIS, Feb. 26 (AP)—The international conference on Vietnam opened here today with the United States and North Vietnam disagreeing on several key points in the Jan. 27 peace agreement. The first day's proceedings also were marked by a strong Canadian statement that the Vietnam cease-fire so far has "not been effective" throughout the country. Canadian External Affairs Secretary Mitchell Sharp said that if Canada was to stay on the International Commission of Control and Supervision, a "broadly based international authority" should be set up to receive the ICSS reports.

Mr. Sharp said that Kurt Waldheim, secretary-general of the United Nations, would "provide the best channel for receiving and transmitting" the ICSS's views. Six of the 12 governments represented here made their opening statements today. Both China and France expressed approval of the Jan. 27 agreement but stressed that it was primarily up to the signatories to keep the peace, and that the best the conference here could do was to provide moral support.

Nixon to Keep 5.5% Ceiling On Pay Hikes

But New Standards To Stress Flexibility

By Edward Cowan

WASHINGTON, Feb. 26 (AP)—The administration's two foremost inflation fighters insisted today that President Nixon was keeping 5.5 percent as a standard for annual wage increases. However, in a 45-minute White House news conference, Treasury Secretary George P. Shultz and John T. Dunlop, the new director of the Cost of Living Council, failed to dispel the impression that the administration is moving away from a specific standard toward a more flexible, more ad hoc approach to wage regulation.

No single standard of wage settlement can be equally applicable at one time to all parties in an economy so large, decentralized and dynamic, a statement by the administration's Labor-Management Advisory Committee said. Neither Mr. Shultz nor Mr. Dunlop spoke of the 5.5 percent standard in their opening statements to a throng of reporters in the White House briefing room.

In answering questions, they affirmed that the standard, like others carried over on Jan. 11 into Phase 3 of the stabilization program, will continue in effect. But each official spoke of it in so many words only once, and neither endorsed it explicitly in his own words. That reticence evidently was in deference to the labor members of the advisory committee, who feel that a precise numerical standard destroys meaningful collective bargaining.

"We eventually hope to get away from the ceiling," George Meany, a committee member and president of the AFL-CIO, said after the White House announcement. "If we're going to have a figure, it should be 7.5 or 8 percent." Mr. Meany said in Florida, where the labor federation's Executive Council has been meeting.

Mr. Dunlop, in response to questions, denied that he had an understanding with the committee not to speak about a 5.5 percent standard. But when asked if some committee members preferred general rhetoric about moderate settlements rather than talk about specific standards, he avoided a direct answer.

James M. Roche, described by Mr. Dunlop as "chairman of the employer side of our committee," gave another reason for the committee's not citing a specific standard. "If we say 5 1/2 percent, that means that's the floor," Mr. Roche, retired chairman of the General Motors Corp., said in a telephone interview from his home near Detroit. Without such a standard, he said, "some might take less."

Kissinger Assesses Fighting In Vietnam as Minor Problem

NEW YORK, Feb. 26 (AP)—Henry A. Kissinger said yesterday that the fighting in Vietnam, nearly a month after the formal cease-fire, "has gone on a little longer than I thought" but did not seem to be cause for worry.

In a wide-ranging NBC-TV interview, the President's chief adviser on national security said that fighting "for a few weeks" after the cease-fire had been expected. He added that he was not worried about the reported violations of the cease-fire agreement "because, after all, how are the two sides going to establish their areas of control except by testing each other?"

Mr. Kissinger, who returned a week ago after a journey that took him to Hanoi and Peking, said that if the war were still under way in a formal sense "these actions would all be reported as very minor."

He said that North Vietnamese and Viet Cong forces had seized about 300 South Vietnamese hamlets "right after the cease-fire," but had "now lost all of them" back to South Vietnamese forces.

Mr. Kissinger said that the United States would not be opposed to a peaceful and democratic Communist take-over of all of Vietnam. "If the performance of one part or the other (North Vietnam or South Vietnam) is so clearly superior to that of the other that it tends to achieve moral superiority over the other, that is not an American concern," he said.

Mr. Kissinger said that passage of the Nixon administration's aid program for Hanoi was necessary for preserving peace in Vietnam. The program has been estimated at anywhere from \$2.5 billion to \$3.5 billion, but Mr. Kissinger did not mention any figures.

He declined to say whether President Nixon's decision to blanket the Hanoi-Haliphong area with bombs in December was made with his approval or over his objections, but he did say: "You can assume that if I could not support a major policy that I would resign."

With the Vietnamese problem subsiding, Mr. Kissinger said, President Nixon is "taking a greater interest in Middle Eastern affairs now and he will be spending more of his time on the problem."

The President, he noted, had met recently with King Hussein of Jordan and Hafez Ismail, the national security adviser of Egypt's President Anwar Sadat, and was scheduled to meet Israel's Premier Golda Meir in Washington on Thursday.

U.S. Pullout In Vietnam Is At Midpoint

SAIGON, Feb. 26 (AP)—The U.S. command said today it has passed the midway point in post-truce troop withdrawals.

It left 11,724 GIs in South Vietnam. When the cease-fire officially began on Jan. 28, there were 23,516 American soldiers in the war zone. The truce agreement calls for all Americans to be out within 60 days after the cease-fire.

Withdrawals have averaged more than 400 a day and the midway mark in the pullout was reached more than 24 hours ahead of schedule, the command said.

Even as the bodies were lowered into their graves, the cries continued. "Vengeance, vengeance," "Down with imperialists," "Down with Zionists." Speakers blamed Arab luxury (presumably in the face of Israel) for the disaster. Standing beside Col. Qadhafi at the open air funeral service was Abdel Kader Hatem, Egypt's deputy premier, representing President Anwar Sadat. Mr. Hatem left for Cairo immediately after the ceremony.

In its statement after the funeral, the Libyan government said, "When the thief commits in broad daylight an ominous crime, shooting down a passenger plane, shooting down a passenger plane, shooting down a passenger plane..." (Continued on Page 2, Col. 3)

15,000 Surge Toward Qadhafi, Beaten Back

LIBYAN Mourners Cry for Revenge

BENGHAZI, Libya, Feb. 26 (AP)—Police using clubs and troops brandishing machine guns today forced back a crowd of 15,000 persons that surged toward President Moammar Qadhafi screaming for revenge for the victims of the Libyan airliner forced down by the Israeli Air Force last week.

Pandemonium broke out at the funeral service for 55 of the 106 men, women and children who died when the Arab Libyan Airlines Boeing-747 crashed in the Sinai Desert last Wednesday after a wing was hit ablaze by fire from an Israeli fighter.

As a religious leader began the funeral, a young man, believed to be a relative of one of the dead, leaped over the line-up of coffins and raced toward Col. Qadhafi shouting, "Revenge, Qadhafi! Revenge!" Instantly the crowd took up the cry for vengeance and rushed forward behind the youth.

The police and troops cut off the youth and police clubbed back the crowd as Col. Qadhafi was whisked away in a Land Rover, he did not reappear.

The government issued a statement later, saying: "By all objective standards, the Cairo's War Chief Arrives in Russia"

MOSCOW, Feb. 26 (AP)—Egyptian War Minister Ahmed Ismail arrived here from Cairo today for what sources in Cairo said may be another attempt to get some from the Soviet Union. Lt. Gen. Ismail was met at the airport by Marshal Andrei A. Grechko, the Soviet defense minister, and conferred with him two hours later at Marshal Grechko's office.

There was no official word from the Kremlin on the purpose of the visit and Egyptian Embassy officials declined to comment. They would not say if the visit was an outgrowth of talks held here earlier this month by Hafez Ismail, national security adviser to President Anwar Sadat. The officials said Gen. Ismail would be in Moscow about five days but the program for his visit has not yet been worked out.

Science Develops the Polyunsaturated Cow

To Reduce Cholesterol Levels In Man and Avert Heart Attacks

By Jane E. Brody
NEW YORK, Feb. 26 (AP)—Polyunsaturated cattle—that's what an Australian research team suggests as a solution to the worldwide epidemic of heart disease.

Faced with the seeming impossibility of redirecting the rich tastes of developed nations away from such artery-clogging foods as well-marbled steaks and creamy dairy products, the Australian team tried instead to change what the animal puts into its meat and milk.

They found that if they raised cattle and sheep on diets supplemented with specially treated polyunsaturated oil, the animal produced milk and meat with 10 times the usual ratio of polyunsaturated to saturated fats.

Air, Rail, Hospital Services Threatened

By Richard Eder

LONDON, Feb. 26 (AP)—A series of strikes threatening the Conservative government's program for curbing wages and prices threatens to cripple Britain's air, rail and hospital services this week.

The government, which believes it has public opinion on its side and hopes to weather trade union opposition, pressed ahead, meanwhile, issuing a proposed code for operation of the forthcoming second phase of its anti-inflation drive.

About 250,000 civil servants are to hold a one-day strike tomorrow—the first in their history.

Another Approach
He noted that this approach might be far more acceptable to the American palate and dietary habits than is the consumption of processed foods in which some of the saturated fats are replaced by unsaturated fats.

Such commercially prepared "filled" foods have included luncheon meats, frankfurters, ice-cream and sandwich spreads. But modern technology has yet to figure out how to change the

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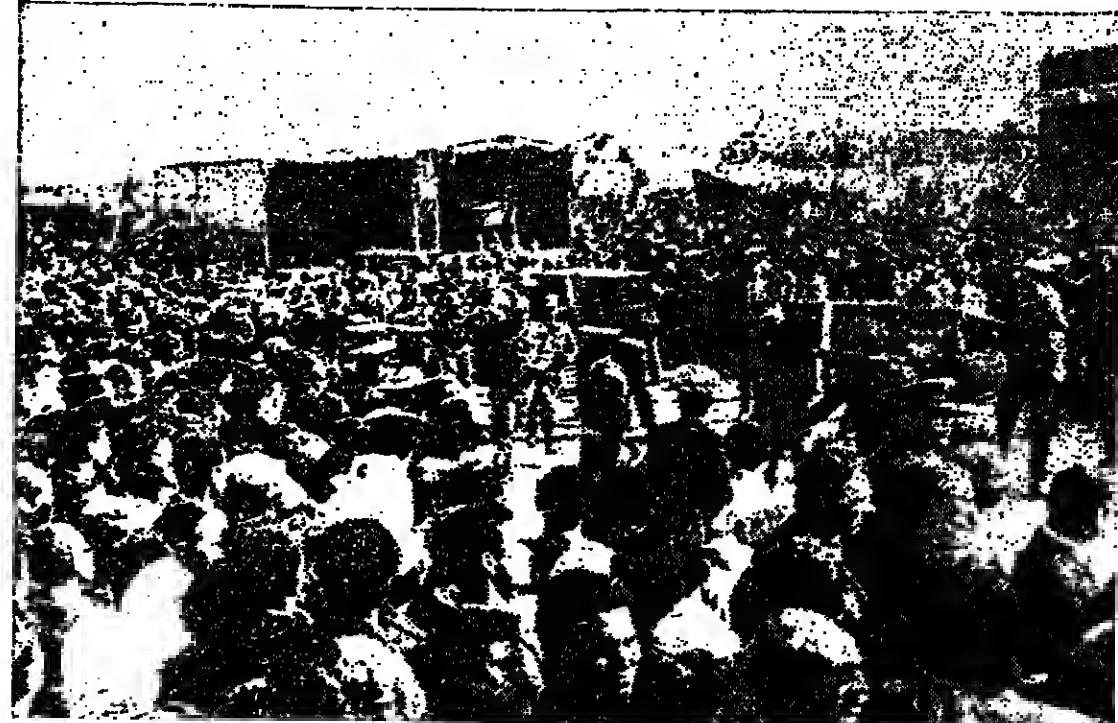
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Presidential adviser Henry Kissinger being interviewed for television in Washington.



BENGHAZI SCENE—Thousands of Libyans watching soldiers load coffins bearing the bodies of passengers of downed jetliner onto trucks en route to burial site yesterday.

Premier Meir Says Downing Won't Affect Talks in U.S.

(Continued from Page 1)

versity, said Israel expects governments of the world to separate the tragic death of the airline passengers and "serious political considerations."

"The governments should be able to differentiate between the two and not have one influence the other," he said. "Within time, there shouldn't be an effect on our fabric of relations with other [friendly] governments."

Air France put the official death toll in the incident at 104 with seven survivors. Previous Israeli announcements referred to 106 dead and seven survivors, a figure that matched Libyan reports of 113 passengers and crew aboard the aircraft.

Air France today expressed "deep astonishment" in denying an Israeli inference that it sent an improperly qualified pilot to command the Libyan airliner.

A spokesman in Tel Aviv produced a valid commercial pilot's license showing that Capt. Jacques Bourges was fully qualified for this type of aircraft. Israel has said it recovered Capt. Bourges's

license from the Boeing's wreckage and that it showed that he was not qualified for 727s. It was the latest allegation that the 42-year-old Capt. Bourges, on loan from Air France to Libyan Arab Airlines, was responsible for the disaster.

Air France spokesman Guy Hoyet indignantly held up the license showing Capt. Bourges to be qualified to command Boeing 727s from Nov. 11, 1971.

He said Air France expressed "deep astonishment" that certain authorities found it proper to publish information risking erroneous interpretation.

Mr. Hoyet said there was no excuse for the Israeli allegation because the commercial license also had been on the aircraft and was handed over to the French consul along with Capt. Bourges's body.

Col. Georges Rohe, the French air attaché, said the Israeli's apparently had confused Capt. Bourges's personal flying license with the more complete commercial license authorizing him to fly passengers.

Libyans Cry For Revenge

(Continued from Page 1)

plane and killing more than 100 people, your patience should be transformed to fury."

"Zionism, fed by the flow of U.S. arms, had lost no opportunity to flex its muscles, killing deliberately and arrogantly refusing to abide by United Nations resolutions," it said.

This boldness was inspired by U.S. policy, the statement said. The fate of the airliner should "awaken our conscience and urge us to rethink the Palestinian question along entirely new lines," it said.

Air Boycott Urged

BEIRUT, Feb. 26 (AP)—The Arab Air Transport Federation called on world airlines today to boycott Israeli airports and refuse their planes service facilities to protest the downing of the Libyan airliner.

Representatives of 14 Arab airlines held an emergency meeting here today to discuss the disaster. Federation chairman Kamel Sindi, a Saudi Arabian, said after the meeting that the federation would call on Arab governments to boycott foreign airlines that fail to boycott Israel.

The International Civil Aviation Organization and the International Air Transport Association were urged to expel Israel and condemn the attack on the Libyan plane "in the strongest possible terms," Mr. Sindi said.

Driver of Armored Car Flees With Bank's 4 Million Marks

DUSSELDORF, Feb. 26 (AP)—The driver of an armored car disappeared today with 3.79 million marks in cash in what appeared to be an act of retaliation for having been fired, the police reported.

Police Commissioner Hans Fabbe told a news conference that Guenter Heinemann, 29, received notice from his employer Feb. 5 that he was fired as of March 31.

Mr. Fabbe gave this account of the robbery:

Heinemann and four of his colleagues were sent to cash a

check worth 4 million marks at Dusseldorf's State Central Bank. They had orders to transport the cash in two lots of 2 million marks each to the city branch of a commercial bank.

The men were to use two armored cars for the job.

After handing in the check, all five went to the bank's cafeteria for breakfast while the bank's tellers counted the money.

When the tellers were ready, two of the transport men—one of them Heinemann—went out and loaded the 4 million marks into one of the vans instead of splitting up the amount and using both vehicles as ordered by Deutsche Sicherheits-Transporte, the armored car company.

Catholic Priest, A Gaza Official, Found Murdered

GAZA, Feb. 26 (UPI)—Police today reported the murder of a Roman Catholic priest who had been supporting Gaza Strip elections in cooperation with the Israeli occupation authorities.

They said that Rev. Yohana Nimri, 58, was found dead by his neighbors. He apparently was shot during the night by Arab guerrillas.

It was the third assassination or assassination attempt in three weeks. Local dignitaries or town council members who have supported the idea of elections have been the targets.

The former mayor of Gaza, Elshid A-Shawa, was wounded slightly by glass shards when ambushers recently fired on his car.

Father Nimri, an Arab, was a member of the local town council and the only priest resident in the Gaza Strip.

Left Table Alone

Both then went back to the cafeteria to finish breakfast. But Heinemann, a short while later, claimed he had stomach pains and left. This was the last his colleagues saw of him.

Alarmed by his absence, the transport men first started a search on their own before informing police about 75 minutes after Heinemann's disappearance.

It took 35 minutes more to discover the abandoned armored car in a quiet Dusseldorf suburb. There was no trace of Heinemann, but he left 210,000 marks stacked behind the van's seats, the amount that made up the full 4 million.

A general police alarm and requests for assistance to federal criminal police and Interpol led to the discovery of Heinemann's private car, an old red sedan that the police found parked near Dusseldorf's Lohausen Airport.

Checking his bachelor home, the police found an automatic rifle and several letters revealing that Heinemann had planned the deed and indicating that this was his revenge for having been fired. He joined the company in April, 1970.

Mr. Fabbe told newsmen that Heinemann previously "had a clean record." The other four drivers are under investigation, he added.

He said the police were working on the assumption that Heinemann left West Germany by plane. But, he added, they did not exclude the possibility that he parked his car near the airport to mislead the police.

WEATHER

| | C | F |
|----------------|----|----|
| ALBANY | 13 | 55 |
| ALBUQUERQUE | 10 | 50 |
| ANAKA | 12 | 54 |
| ATLANTA | 11 | 52 |
| BALTIMORE | 10 | 50 |
| BELGRADE | 1 | 34 |
| BERLIN | 6 | 43 |
| BIRMINGHAM | 10 | 50 |
| BUDAPEST | 3 | 37 |
| CAIRO | 26 | 79 |
| CASABLANCA | 17 | 63 |
| COPENHAGEN | 11 | 52 |
| COSTA DEL SOL | 18 | 64 |
| DUBLIN | 4 | 39 |
| EDINBURGH | 5 | 41 |
| FLORENCE | 9 | 48 |
| FRANKFURT | 10 | 50 |
| GENEVA | 11 | 52 |
| HELSINKI | 4 | 39 |
| LAS VEGAS | 12 | 54 |
| LONDON | 10 | 50 |
| MADRID | 14 | 57 |
| MILAN | 9 | 48 |
| MONTREAL | 1 | 34 |
| MOSCOW | -2 | 28 |
| MUNICH | -2 | 28 |
| NEW YORK | 10 | 50 |
| NICE | 9 | 48 |
| PARIS | 10 | 50 |
| PRAGUE | 6 | 43 |
| RIO DE JANEIRO | 10 | 50 |
| ROME | 10 | 50 |
| STOCKHOLM | 3 | 37 |
| TOKYO | 11 | 52 |
| TUNIS | 11 | 52 |
| VENICE | 6 | 43 |
| WARSZAWA | -1 | 30 |
| WASHINGTON | 10 | 50 |
| ZURICH | 8 | 47 |

School in Athens Reopens But Few Attend Classes

ATHENS, Feb. 26 (AP)—Athens University's law students stayed away from classes today despite the official reopening of the law and philosophy school after a week-long shutdown. The school's closing had followed a sit-in by students protesting a recent government decree drafting "unruly" students.

A law-school student group said that "not even 5 percent of the students turned up today."

The senate of the Athens Polytechnic Institute said that an official week-long shutdown of the school was beginning today because of mid-year examinations next week. It proposed to the government that the 97 Polytechnic students already drafted be permitted to take the examinations.

George Athanassiadis, a newspaper publisher, today accused authorities of harassment and intimidation following his paper's prominent coverage of student unrest.

In a letter published in his paper, Vradyni, an anti-government newspaper, said that he had been summoned by officials, given a stiff admonition before a public prosecutor and subjected to a search of his home and Vradyni's offices. Many documents were examined or removed, he said.

War Foes Picket The White House

WASHINGTON, Feb. 26 (UPI)—Leaders of several anti-war groups, protesting continued U.S. involvement in Indochina, picketed the White House Saturday and vowed to organize mass protests during South Vietnamese President Nguyen Van Thieu's expected visit in the spring.

The demonstration, described by police as "peaceful but noisy," opened a five-hour meeting of the National Peace Action Coalition, one of the country's largest anti-war groups. It was the first anti-war demonstration here since the Jan. 27 cease-fire agreement.

IRA Claims Army Activated Land Mine That Killed Boy

BELFAST, Feb. 26 (UPI)—The Provisional wing of the outlawed Irish Republican Army said today it planted the land mine that killed a boy in Londonderry yesterday but accused British troops of activating the mine.

The British Army denied the charge, saying, "The terrorists cannot shift the blame."

Minh Attacks Thieu on Lack Of Liberties

Writes Open Letter To Paris Conference

By Charles Mohr

SAIGON, Feb. 26 (NYT)—Gen. Duong Van Minh, a political rival and critic of President Nguyen Van Thieu, accused the Thieu government today of failing to restore civil and political liberties guaranteed by the Vietnam cease-fire agreement.

The general, popularly known in Vietnam as Big Minh, issued what he called an open letter to the international conference on Vietnam, which convened in Paris today.

In his open letter, Gen. Minh told the Paris delegates that a third force, or "entity" opposing both the Thieu government and the Communists, "comprised the majority of the people of South Vietnam" and "is the key to peace."

However, Gen. Minh did not propose a plan to mobilize this "entity" into a new political body, although such a group may be formed soon as a result of many days of negotiation among anti-Thieu dissidents.

How formidable or representative such a political coalition would be is far from clear.

Not Interested

Gen. Minh also said today he was not interested in placing himself or his friends on a proposed council of national reconciliation and concurred with the neutral elements there to be appointed by the government and the Viet Cong. This, however, is exactly what the cease-fire agreement provides.

One of the passages of Gen. Minh's letter said that the third force in South Vietnam consisted of "those who loved their country but refused to be subjected or bound by foreign ideologies, those who had been caught between the apparatus of the two sides or had been oppressed by those apparatuses, those who had fought for national independence but had bid farewell to arms after the war had become a senseless mutual killing of Vietnamese, those who had dreamed of real democracy but had only encountered dictatorships. In a word, all those who followed neither this side nor the other side and who, to this date, were never given the chance to speak their minds."

Those close to the general, who had threatened to oppose Mr. Thieu in the last presidential election but finally withdrew, indicated that Mr. Thieu must first restore democratic freedoms before Gen. Minh would try to form a political action group.

In his open letter, Gen. Minh said the international conference in Paris had an obligation to demand that Article 11 of the cease-fire agreement be implemented. The article requires both the government and the Viet Cong to "immediately" insure freedom of speech, press, political activities, movement and the like.

Speaking for Gen. Minh at a reception at which the general's letter was released to the press, Thon Thien, a former information official for the Thieu regime until he was dismissed and his office closed, said:

"Without the democratic freedoms guaranteed in Article 11, the whole concept of self-determination is meaningless."



INCIDENT AT HUE—Group of South Vietnamese, in white shirts at left, attack fleeing North Vietnamese officer, far right, at the Joint Military Commission compound Sunday, wounding him in the head. In center and right foreground, two U.S. officers try to stop the attack. Note the object in center being thrown at the fleeing officer.

Laos Truce Planning Begins; Fighting Reportedly Ebbing

By Malcolm W. Browne

VIENTIANE, Laos, Feb. 26 (NYT)—Representatives of the Vietnamese government and Communist-led Pathet Lao began meeting today to work out details of a proposed Laos cease-fire signed last Thursday.

Meanwhile, it appeared that fighting throughout the country was dying down. Vientiane charged the Communists with only a small number of violations.

Opposing delegations to the mixed cease-fire commission will be headed by Maj. Gen. Bounthong Vongvongke for the Pathet Lao. It was announced today.

There were no indications that work was nearing the point at which mixed teams could be sent into the field to determine lines between opposing sides and stop the fighting.

It is also unclear how long the two sides will take to work out details of how the three-nation International Control Commission made up of India, Canada and Poland will carry out its surveillance duties.

29 Violations Reported

The Vientiane military command listed only 29 alleged violations by the Communist side during the 24 hours ending at 10 a.m. today. None appeared serious.

While the latest government charge brought the number of alleged Communist violations during the four days since the cease-fire to 88, it seemed clear that fighting was subsiding markedly.

The most dangerous area remained the region around Pakson in southern Laos, which was allegedly recaptured by North Vietnamese troops after the cease-fire went into effect.

The fall of Pakson prompted an attack last Friday by nine American B-52 bombers over the area followed by a government counterattack.

But today, Pakson was still in Communist hands, and it appeared that Vientiane troops may have abandoned active efforts to retake it, although clashes and shelling were still reported.

Scattered clashes and shelling were reported throughout Laos.

Position Apparently Overrun

In one incident reported to have occurred yesterday, a pocket of government control deep within Communist territory apparently was overrun. Vientiane said 18 of its men were missing. The position is seven miles south of the town of Xiang Khouang.

Government troops were compelled to withdraw from several other positions.

It appeared today to be unlikely that the Laotian government would ask the United States for any more air attacks on Laos, provided the situation remains as it is.

Hanoi Gains Recognition By Australia

By Robert Trumbull

SYDNEY, Feb. 26 (NYT)—Australia and North Vietnam, adversaries during the Vietnam war, established diplomatic relations today.

An exchange of ambassadors is expected later this year, Prime Minister Gough Whitlam said in Canberra, adding that Australia would continue to maintain relations with South Vietnam.

Saigon has taken the Australian move in stride, a spokesman for the South Vietnamese Embassy indicated.

"As long as the relationship does not affect the existing relationship between South Vietnam and Australia, [South Vietnam] will continue to maintain its friendly ties with Australia in all fields," the spokesman said.

The link with Hanoi was a further step in the reversal of Australia's foreign policy since Mr. Whitlam's Labor party, in elections last December, ousted the anti-Communist coalition that had governed for 23 years.

In less than three months in office, Mr. Whitlam has recognized mainland China, severed relations with Taiwan, recognized East Germany, ended all military involvement in Indochina and endorsed the neutralization of Southeast Asia and the Indian Ocean, besides recognizing Hanoi. All these policies are contrary to those of the previous government.

As a military ally of South Vietnam, Australia had fielded a combat force of more than 8,000 men, at peak strength, against the North Vietnamese and the Viet Cong. Nearly 500 Australian soldiers were killed in the fighting.

The Australian combat role ended late in 1971, but it remained for Mr. Whitlam to order the last 6,000 soldiers home shortly after his party achieved power.

U.S., Hanoi In Disaccord

(Continued from Page 1)

ries. He made no reference to any permanent mechanism.

Mr. Le also denied that Cambodia and Laos were appropriate themes for the conference. "We are in disagreement," he said. "This conference is on Vietnam."

The disagreements over both a permanent mechanism and the status of Laos and Cambodia stem from the ambiguity of the Jan. 27 agreement. It is exceedingly brief on both matters, stating that this conference shall make "definitive arrangements" for receiving ICCS reports and devoting only five paragraphs to Laos and Cambodia.

It seemed clear tonight that the conference would have to come up with some solution on what the ICCS is to do with any reports of cease-fire violations. Speaking for France, Mr. Schumann stressed clear of either the Waldheim solution or Hanoi's idea of no mechanism at all and said that it seemed reasonable that the ICCS transmit its reports to the conference "by one means or another." He did not say what compromise solutions might be envisaged.

There also remains the problem of what to do with the UN delegation here. The United States had favored naming Mr. Waldheim as chairman of the conference, and U.S. officials said that while they were satisfied with the Poland-Canada arrangement, "it was not our original proposal."

Observers found the Chinese statement today very moderate in tone. Mr. Chi praised the "parties to the Paris agreement" and noted that it was working effectively. After saying that responsibility for the peace "lay with the signatories," he said that the conference members should pledge "not to interfere in any form in the internal affairs of the Vietnamese people."

He pledged his government "not to do anything that hinders or violates the agreement."

Russia Speaks Today

The Soviet statement will be heard tomorrow, along with those of Indonesia, Poland, North Vietnam, South Vietnam and Great Britain.

Following the morning plenary session, the conference broke up into bilateral meetings. U.S. and North Vietnamese experts met during the afternoon to prepare working papers to be submitted to a conference-drafting committee tomorrow. The committee will prepare the declaration that is expected to be signed Friday.

During the afternoon, Mr. Rogers met with Indonesian Foreign Minister Adam Malik and British Foreign Secretary Sir Alec Douglas-Home. U.S. officials said that Mr. Rogers and Sir Alec discussed the conference but also spoke of progress at the armed force reduction talks in Vienna, the Middle East and U.S. relations with the enlarged European Economic Community.

Both Sir Alec and Mr. Rogers have planned private meetings with Soviet Foreign Minister Andrei A. Gromyko for later this week and it is expected that the Vienna conference will be thoroughly discussed.

The exploratory talks there are stalled for the moment on the status of Hungary. The Russians now want Budapest to participate as observer rather than full member.

Buddhist Leader In Vietnam Dies

SAIGON, Feb. 26 (Reuters)—The venerable Thich Tinh Khiet, 84, supreme patriarch of South Vietnam's Buddhist An Quang movement, died last night.

His body will lie in state in the An Quang Pagoda in the former imperial city of Hue until the funeral March 9.

A 60-member delegation from the Saigon An Quang Committee, including the venerable Thich Tri Quang, will leave for Hue tomorrow to take part in the funeral.

This is the first time Thich Tri Quang has returned to Hue since he was arrested there in 1966 in a crackdown on militant Buddhist leaders by former Premier Nguyen Cao Ky.

N. Vietnam Says U.S. Is Stalling On Minesweeping

SAIGON, Feb. 26 (UPI)—Radio Hanoi accused the United States yesterday of stalling on its pledge to sweep the mines that have blocked Haiphong and other North Vietnam ports since May.

The United States has used unspecified excuses to prolong the time of preparation and has not mobilized the force and means of demining in order to delay and prolong the demining in North Vietnam," the broadcast monitored in Saigon said.

Reports from Washington said the mine sweeping was expected to begin this week. A Naval Liaison team has been in Hanoi for three weeks to prepare for the minesweeping and ships of the sweeping force have left their anchorage area.

The broadcast also accused the United States of failing to provide adequate information to the two truce supervision agencies—the International Commission for Control and Supervision and the Four-Power Joint Military Commission—to allow the commissions to determine whether the United States "is really carrying out seriously" its troop withdrawal.

Phnom Penh, Feb. 26 (Reuters)—Government troops today re-entered the battered town of Siem Reap, just outside Phnom Penh, the military command announced.

The town was abandoned by its garrison Friday and then became a no-man's-land between opposing forces. A command spokesman gave no details on today's fighting.

Cuba, Mexico Prepare Accord on Hijacking

MEXICO CITY, Feb. 26 (UPI)—Cuba and Mexico have exchanged written proposals on a possible bilateral agreement covering hijacking of aircraft and sea hijacking, Foreign Secretary Emilio O. Rabasa said today.

The agreement would be similar to the one signed recently by the United States and Cuba, he said.

Violations of Accord

Saigon charged that the construction of such missile sites was a violation of Article 7 of the Paris agreement, which prohibits either side from introducing troops or weapons into the zone of demarcation to replace equipment that has worn out or been destroyed.

To support their claim, South Vietnamese produced photographs that purportedly show the site Jan. 24 before the cease-fire and Feb. 18, when South Vietnamese claimed missiles did not exist Jan. 24 but were present in the pictures taken Feb. 18.

The Saigon authorities said that when they confronted the Communists with the photographs at a meeting of the Joint Military Commission, the Communists denied the missiles were present.

Ivestia Says Pentagon Trains POWs to Brainwash U.S. Public

MOSCOW, Feb. 26 (UPI)—The government newspaper, Ivestia, tonight accused the Pentagon of brainwashing released U.S. prisoners of war and said that the prisoners, in turn, brainwash the American public.

The attack on the Pentagon's treatment of Vietnam war prisoners freed thus far was written by one of the paper's Washington correspondents, Stanislav Ondrashev.

"If one puts aside the emotions and touching scenes of family reunions, one feels at once the director's guiding hand—a giant propaganda and psychological campaign prepared by the Pentagon," the article said.

"One sees this kind of deal: 'We have left you your military ranks, paid your salaries for the years of imprisonment and will insure you publicity that will come in handy in your career. For this, you are asked to do only one thing—justify the war and start doing it at once, while they still remember you in this rushing American life.'"

"Where they could not make martyrs, they are again creating heroes. The long silence has ended and they [the returned prisoners] are saying what the officials want them to say."

Reds On OSS Agent's Glowing Report Details Emerge of U.S. Aid To Ho's Guerrillas in 1945

By Laurence Stern

WASHINGTON, Feb. 26 (UPI).—New light was shed this week on one of the most obscure and ironic chapters of America's involvement in Vietnam—the close collaboration between U.S. military intelligence officers and Ho Chi Minh's Viet Minh guerrillas during the closing days of World War II.

Intelligence documents describing the training and joint military operations of the U.S. Office of Strategic Services "Deer Mission" with Mr. Ho's forces in July, August and September, 1945, were made public Saturday by the Senate Foreign Relations Committee after being declassified by the government.

The Deer Mission, the team from the OSS—precursor of the CIA—which was parachuted into the North Vietnamese jungle with instructions to link up with Mr. Ho's forces, was to intercept Japanese lines of communication and work with guerrilla forces in the vicinity of Hanoi.

Although it is no secret that U.S. intelligence operatives worked with Mr. Ho's forces against the Japanese, details and documents from the mission have never previously been made public. The documents reveal an attitude of strong sympathy on the part of the Americans toward Mr. Ho and his Viet Minh movement. They describe Mr. Ho's intensely expressed hopes that his American allies would help drive off French colonial reoccupation of Vietnam.

"Not Communist"

In one of its first reports after linking up with the Viet Minh, the Deer Mission's commander, Maj. Allison K. Thomas, advised his superiors: "Forget the Communists. The Viet Minh (the Viet Minh League) is not Communist. It stands for freedom and reforms from French harshness. If French go part way with them, they might work with French."

And in a later evaluation, an unnamed report to OSS headquarters described Mr. Ho as "a brilliant and capable man, completely sincere in his opinions. I have traveled throughout Tonkin Province [a reference to North Vietnam] and found that in that area, as in all other areas, the French are hated with the same spirit and determination as their leader."

The first contact between the Deer Mission and the Viet Minh, in mid-July, 1945, was described in a message from Maj. Thomas after the team parachuted into Kham Lung, near Mr. Ho's jungle hideout. The Americans were "ecstatic to find Mr. Ho [sic], one of the big leaders of the VML party. He speaks excellent English, but is very weak physically as he recently walked in from Hanoi."

"He received us most cordially. We then had supper consisting of beer (recently captured), rice, bamboo sprouts and barbecued steak. They freshly slaughtered a cow in our honor."

Mr. Ho took exception to the presence of a French officer on the team. "He will welcome 10 million Americans, however," according to Maj. Thomas's report. "At that point, the Americans began their training program for the Viet Minh units and relations between Mr. Ho and the OSS operatives grew increasingly cordial."

In a later dispatch to OSS headquarters, after completion of the mission, Maj. Thomas said Mr. Ho was also identified as C.M. Ho. "Ho" was his code name. Later, when he became president of the Provisional Government of Viet Minh [sic]... at Hanoi, he divulged his real name, which is Ho Chi Minh.

In the period following the Japanese surrender, Mr. Ho sought to establish the authority of his government throughout Vietnam. He was also seeking to negotiate for independence with the French.

"Friend of the Forest"

American policy was beginning to veer from an attitude of wartime sympathy for Mr. Ho and his cause toward full military support of the French. The admissions of the OSS intelligence teams, that the Viet Minh was primarily a nationalist movement, went unheeded.

On Sept. 17, Maj. Thomas sent this message to OSS headquarters in Washington:

"Our friend of the forest, Mr. C.M. Ho, now Mr. Ho Chi Minh, was president of the provisional government and minister of foreign affairs. Another friend of the forest, Mr. Van, now Vo Nguyen Giap, became minister of interior."

"The new government appears to be enthusiastically supported by the majority of the population in every province of Indochina. The new government was given strength by the resignation and abdication of Bao Dai, former puppet emperor... The people know the French intend to come back and they keep saying if they [the French] come back with arms, they will fight to the death."

In a later summary cable, Maj. Thomas reported that the Viet Minh had "nothing but praise and kindness for the Americans, and to send students there and invite American technicians here is its desire. The party has helped in returning several American pilots and Mr. C.M. Ho had a personal conference with Gen. [Claire L.] Chennault at Kunming on the subject."

In which he repeated his allegations.

Earlier this month, both Gen. Barnes and Col. Franklin said on a nationwide television program that Col. Herbert had perpetrated a "hoax" in contending that he had been removed from command because of his complaints of atrocities.

The television program also produced present and former Army men who contradicted part of Col. Herbert's testimony. His replies on the program, in essence, were that the witnesses were mistaken or under Army pressure.

Col. Herbert said on another television show Jan. 23 that he had obtained classified Army documents about him from "friends in the military." Sen. Barry Goldwater, R-Ariz., who also appeared on that show and who is a member of the Senate Armed Services Committee, offered to submit the documents to the committee for investigation if the colonel would produce them.

The documents were mailed to the senator's office last week by a San Francisco television newsman who had obtained them from Col. Herbert.

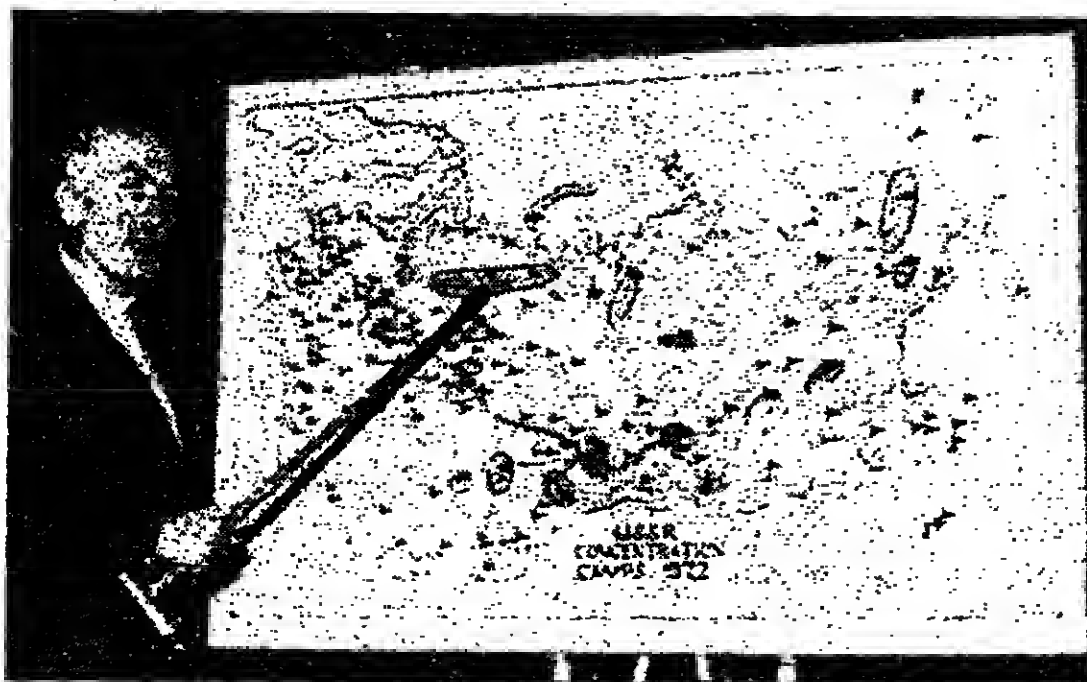
Neither Sen. Goldwater nor the staff of the committee has examined the documents, according to the senator's press secretary, Tony Smith, who said that he had forwarded them to the committee. Mr. Smith commented that, although he had not read all of them, "what we did receive was not the kind of material which Herbert told a nationwide audience he had."

Col. Herbert disagrees.

He said on the television show, "We have obtained a document... signed by the Secretary of the Army, Mr. Froehke; it's signed by [Gen.] William C. Westmoreland [then Army Chief of Staff]; it's signed by Gen. Sledge; it's signed by Gen. Kerwin, among other generals, and it says in effect... that once the publicity dies down, we will get this guy."

The file obtained by The Times, totaling 34 pages, contains several documents grouped under a referral slip dated Jan. 24, 1972, titled "Coincident Retirement Actions." Except for Gen. Westmoreland, who retired last year, the names of the other officials cited by Col. Herbert appear on some, though not all, of the documents.

But at the bottom of one document is a typewritten notation, "Hold but don't close case," W.C.M. apparently indicating that Gen. Westmoreland had initiated and approved at least a portion of the documents.



WITNESS—Avraham Shifrin, a former concentration camp prisoner in the Soviet Union, points to a map showing where some of the camps are located. He was testifying before the U.S. Senate Internal Security Subcommittee in Washington. A Russian Jew, he fled to Israel in 1970 after having been imprisoned nearly 10 years in Russia.

Study Says Million Are in Forced-Labor Camps

Russia Assailed for Its Internal Repression

By David Haworth

BRUSSELS, Feb. 26 (UPI).—A harsh indictment of internal repression in the Soviet Union was published here today. It said that at least a million convicts—representing almost one-half of 1 percent of the Soviet population—are in 10,000 forced-labor camps. About 10,000 are being held for political reasons, the report said.

The report's sponsors, the International Committee for the Defense of Human Rights in the U.S.S.R., said that its study was the first scientific survey of forced-labor camps in Russia. It said that the survey was based on research by experts, and its report incorporated information circulating in the Soviet Union in illegal publications—mostly written by former inmates of labor camps.

Peter Reddaway, a British professor and founder of the committee, said at a press conference: "While inhumanity occurs daily in the Soviet camps, the outside world remains largely indifferent to it."

He added that the report's figures did not include the Soviet penal-prison population or those who were detained in so-called psychiatric institutions.

He spoke of an "unrecognized example of modern inhumanity" and said that while the world was rightly concerned with the inhuman treatment in, for example, Greece, it paid little or no attention to the evidence from Russia.

The worst conditions in the camps are constant hunger, compulsory manual labor and inadequate medical facilities, the report said, adding that these conditions frequently cause inmate deaths. This was the fate of the poet Yuri Gagarin, 33, who died last year in a Mordovian labor camp after his appeals to world opinion were smuggled out of Russia, the report said.

The poet had written that the West often devalues itself by concern either for sensation or for temporary ideological compromise and does not show "the necessary persistence in its approach to these matters, which are for us of critical importance."

Albert Guerisse, president of the international committee, said that it was not directing its efforts against Communism as such, but against the methods used by those who wield an absolute power in imposing their will.

"The Communist parties," he said, "have written about the camps in the Stalin era—after vehemently denying their existence for a long time—that they were a perversion of Communism. We believe this perversion continues in another form."

Mr. Guerisse, a former inmate of a Nazi concentration camp, added that if the Soviet authorities challenged the report's conclusions, they should permit an international inquiry panel to visit Russia at once.

The report states that the average number of prisoners in each camp is 1,200 and that the camps are distributed unevenly throughout Soviet territory, but with concentrations in forest areas where the climate is so unpleasant that free workers would not live there.

Labor-camp convicts have been increasing in number during the last few years, the report says, and conditions are deteriorating—especially for political prisoners.

Mr. Guerisse said that the committee would make greater efforts to persuade national and international authorities to express concern about the prisoners in the hope that the Soviet leaders will make a gesture that would enable the current East-West détente "to develop in an atmosphere of confidence and mutual esteem."

Nixon Panel Rehires Aide Who Quit Over Watergate

By Bob Woodward and Carl Bernstein

WASHINGTON, Feb. 26 (UPI).—Hugh W. Sloan Jr., who testified in court that he resigned as treasurer of President Nixon's reelection committee in July because of the Watergate bugging case, is back working for the committee as a consultant at \$100 to \$150 a day.

Mr. Sloan was in his new job before the Watergate trial in January. Although he was a key witness at the trial, it was not revealed that he had gone back to work for the committee.

At the trial, in answer to a question by the chief prosecutor, Assistant U.S. Attorney Earl J. Silbert, Mr. Sloan testified that he was doing consultancy work. Mr. Silbert did not ask where.

Mr. Sloan said last week: "I've been working pretty much full time since Jan. 4 or 5, and expect to work two, three or four weeks more." He said he was asked by the head of the Nixon finance committee, former Secretary of Commerce Maurice Stans, "to come and help him close things up."

Asked why his new job was not discussed at the trial, Mr. Sloan said: "Silbert was aware of it. I told him. He seemed happy that I had a job but just didn't ask me about it on the stand." Mr. Silbert is on vacation and could not be reached for comment Friday.

Mr. Sloan resigned from the Nixon committee July 15 for what a spokesman said at the time were "personal reasons."

Under the questioning of Judge John J. Sirica at the Watergate trial, Mr. Sloan acknowledged that he resigned because of the bugging of Democratic party headquarters at the Watergate complex.

Associates close to Mr. Sloan have said that he resigned to "do the right thing" because he learned that some of the cash he was disbursing to committee employees was being used in intelligence-gathering operations against the Democrats.

They noted that Mr. Sloan had failed to find work for six months and took the committee job because he needed work and because he had faith in Mr. Stans. They said Mr. Sloan feels that Mr. Stans was not involved in the bugging or the related intelligence-gathering operation.

During the trial, Mr. Sloan testified that he gave about \$100,000 in cash to G. Gordon Liddy, the Nixon finance committee's chief director of Jeb Stuart Magruder. Liddy and six others were either convicted or pleaded guilty at the trial last month.

Mr. Sloan testified that Mr. Magruder, a former White House aide and the deputy Nixon campaign director, had been given authority to approve the large disbursements by both Mr. Stans and former Attorney General John N. Mitchell, then the Nixon campaign manager.

Mr. Stans and Mr. Mitchell's role in at least indirectly approving the disbursement to Liddy was brought out during Judge Sirica's questioning of Mr. Sloan and not by the prosecutor, Mr. Silbert. He later said, however, that he was not surprised by any of Mr. Sloan's statements during the trial.

The \$100,000 payment to Liddy, funded, according to federal investigators, the bugging of the Democratic headquarters. Mr. Magruder, Mr. Stans and Mr. Mitchell have said they had no knowledge of the Watergate operation.

China Is Expected By U.S. to Need Grain to Mid-'74

WASHINGTON, Feb. 26 (AP).—The Agriculture Department said today that China, still feeling the effects of last year's severe drought, might have to continue importing grain through mid-1974 to keep pace with growing demand.

Although China produced bumper wheat crop last year, drought sharply reduced other grain production. Conversely, Chinese wheat imports for the year ending June 30 are estimated at nearly six million tons (more than 220 million bushels) or double their level last year.

The Foreign Agricultural Service of the U.S. Department of Agriculture said Peking has attempted to boost planting for the 1973 harvest, including some increase in winter wheat planted last fall.

The report said that it appears that China this year will produce a wheat crop "not significantly larger" than in 1972, unless ideal growing conditions prevail.

"Meanwhile, China's domestic requirements will continue to increase and, unless this year's rice and coarse-grain harvests (including corn), are considerably better than those of 1972, wheat import requirements will likely continue large in fiscal 1974," the report said.

Unless Approved by Congress Senate Unit Votes to Bar Hanoi Aid

By Spencer Rich

WASHINGTON, Feb. 26 (UPI).—The Senate Foreign Relations Committee voted yesterday to block all aid to North Vietnam unless it is specifically authorized by an act of Congress.

Shortly after the committee acted, the Senate voted to extend spending for foreign aid until April 30 and to appropriate funds for the Departments of Labor and Health, Education and Welfare through the current fiscal year, ending June 30.

The spending legislation now returns to the House, which previously voted to extend both appropriations through the end of June.

The Foreign Relations Committee's restriction, sponsored by Sen. Clifford P. Case, R-N.J., designed to force the President to win congressional approval for any North Vietnam aid and bar him from transferring funds to North Vietnam from other parts of the budget. So far, no North Vietnam aid funds have been sought by the administration.

The Case proposal was added by voice vote as the committee voted, 10 to 4, to report out a \$1.55-billion military aid authorization bill for fiscal 1973 to provide weapons to Israel and various other foreign nations.

Aid to North Vietnam is a touchy subject. Capitol Hill right now. Many congressmen altogether oppose the idea of offering North Vietnam aid at a time when the President is imposing funds for domestic programs. Others, like Sen. Case, want assurances that the President won't try to sidestep Congress and provide the aid by transferring money from other programs without ever submitting the matter to Congress.

Bill Never Voted

Although fiscal 1973 expires in four months, the regular military aid authorization bill has never been finally approved because of a fight between the administration and the committee last year over provisions.

Instead, the military aid program has been operating under the authority of an emergency financing resolution allowing spending at a rate of \$1.65 billion. This is \$100 million more than the committee approved yesterday, but both figures are much less than the \$2.35 billion initially sought by Mr. Nixon for fiscal 1973.

The bill approved by the committee yesterday not only includes less money than the emergency financing resolution but also carries a number of legislative provisions on impoundment of foreign treaties—which are opposed by the White House. As a result, it is likely the Nixon administration will seek to block final enactment of the Foreign Relations Committee bill and instead, press for continuation of the emergency resolution until the end of the year. It has a good chance of success in the maneuver.

In addition to Sen. Case, North Vietnam aid provision, the committee also approved:

- Sen. Case's language requiring U.S. aid to the rest of India after June 30 to win congressional sanction but allowing any money obligated before that to be spent.
- Sen. Case's language requiring the U.S.-Portugal Azores base agreement and all future overseas U.S. military base agreements to be submitted to the Senate as treaties.
- Language sponsored by chairman J. William Fulbright, D-Ark., approved 7 to 1, which all but bans opposition, blocking the spending of any of the aid funds if about \$4 billion in domestic program funds is not released by April 30.



Sen. Clifford P. Case

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Time Says FBI Wiretapped Newsmen, White House Aides

WASHINGTON, Feb. 26 (UPI).—For more than two years, the FBI, under orders from the White House, tapped the telephones of six or seven newsmen and a number of White House aides in an effort to determine how information was being leaked to the press, according to Time magazine.

The magazine, in this week's issue, attributes its report to "four different sources in the government." Time does not name the newsmen or the White House officials involved and says the wiretaps never uncovered any White House leaks.

A Justice Department spokesman refused yesterday to comment on the report.

In the article, Time says that Attorney General Richard G. Kleindienst, former Attorney General John N. Mitchell and a White House spokesman all denied that such taps ever existed.

Time says that the wiretapping began about three years ago when J. Edgar Hoover was director of the FBI and continued when L. Patrick Gray 3d took over as acting director after Mr. Hoover died in May.

The taps were removed in June after the Supreme Court ruled that court orders were required before the government could install wiretaps on the telephones of people without foreign ties, the Time article says.

According to the magazine, Mr. Hoover initially balked at the White House directive to install the wiretaps but complied when ordered to do so by Mr. Mitchell, then Attorney General.

Time says that the wiretapping operation "actually helped to keep Hoover on the job." It reports that Mr. Kleindienst, now Attorney General but then Mr. Mitchell's deputy, "tried to force Hoover to step down and in 1971 even gave his support to a proposed congressional investigation of the FBI."

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Senate Panel Gets Documents In Colonel's Fight With Army

NEW YORK, Feb. 26 (UPI).—The Senate Armed Services Committee today acknowledged receipt of classified documents that Lt. Col. Anthony B. Herbert says prove his contention that the Army was determined to oust him after he spoke out about alleged atrocities in Vietnam.

Specifically, Col. Herbert, now retired, contends that the documents show that the Army was paying the way to discharge him if he dismissed his charges of efficiency report from his personnel file made it possible for him to remain in the Army.

Col. Herbert, one of America's most decorated veterans, has long contended that "the Army was literally out to destroy me" because he formally accused his superiors of ignoring his reports of war crimes and atrocities allegedly committed by American and South Vietnamese troops during his three months as a battalion commander in Vietnam in 1969. Until now, he had not produced documentation to support his contention.

The committee's receipt of the documents, copies of which have been obtained by The New York Times, marks the latest step in a four-year battle between Col. Herbert and the Army over the accuracy of his description of what occurred during and after his command assignment.

Lack of Integrity Charged

After winning a Silver Star and other decorations during his three-month command, Col. Herbert was removed from the command by Maj. Gen. John Barnes after the colonel's superior, Lt. Col. J. Ross Franklin, wrote an adverse efficiency report. This accused him of having "no ambition, integrity, loyalty or will for self-improvement."

Two Army review boards refused to remove the adverse report from Col. Herbert's personnel file, but it was expunged from his record by Secretary of the Army Robert Froehke in October, 1971.

In March, 1971, Col. Herbert filed formal charges against Col. Franklin and Gen. Barnes, accusing them of failing to investigate his charges of crimes and atrocities by allied troops in Vietnam.

The charges were eventually dropped and Col. Herbert retired from the Army on Feb. 23, 1972. He cited pressures on his family and his belief that his career was at a dead end because he faced a lifetime of minor assignments. Since then, Col. Herbert has written a book with James T. Wooten, a reporter for The Times,



SOBER AS A JUDGE—Tester savoring glass of wine at first national home winemakers' competition in San Francisco last week. There were 400 bottles to judge from 163 contestants in 25 states. According to latest figures, wine consumption in the United States is doubling every five years and the sales of home winemaking kits total more than \$25 million a year.

Carbon Monoxide Level Held Excessive in 2 N.Y. Buildings

By David Bird

NEW YORK, Feb. 26 (UPI).—A federally sponsored study suggests that it may be necessary to seal the lower levels of some urban buildings because inside levels of carbon monoxide in New York City appear to be almost as high as those on the street in traffic.

The study, which continuously monitored the pollutants in two Manhattan buildings several miles apart, found that federal health standards for carbon monoxide were exceeded inside both buildings.

The buildings studied were a 20-story office building at 264 West 40th Street, just east of Eighth Avenue in midtown Manhattan, and a high-rise apartment house called Washington Bridge Apartments, which straddles the expressway leading to the George Washington Bridge, in the northern part of the island.

Although there have been complaints about noxious gases from the roadway by residents of Washington Bridge Apartments, which is built on air rights over the roadway, the study found the levels were actually higher at the 40th Street building.

Levels Not Lethal

None of the concentrations found in the study approached the lethal point. But federal health standards are based on studies that show impairment of brain functions at relatively low levels.

The study, which was made for the Environmental Protection Agency by the General Electric Co., determined that almost all of the carbon monoxide was generated by vehicular traffic but that the amount of traffic was not the only factor.

Par fewer vehicles passed the office building (7,000 a day) than went under the apartment house (160,000 a day). But the pollution levels were higher on 40th Street, the study noted, because the fumes were trapped by surrounding structures. At the apartment building, which is set apart from other structures, the fumes were dispersed more quickly by winds.

The 40th Street building had levels of carbon monoxide above federal health standards 47 percent of the time during the heating season and 33 percent of the time in the nonheating season. At the apartment house, the standards were exceeded 23 percent of the time in the heating season and 15 percent of the time in the nonheating season.

Readings taken at various floors in the two buildings showed that the concentration of carbon monoxide decreases on the higher floors but that there still were unhealthy concentrations there.

Military Takes Over Control Of Civilian Flights in France

PARIS, Feb. 26 (Reuters).—The military today took over air traffic control operations throughout France after a six-day strike by civilian controllers.

All commercial air traffic ceased in France during the weekend while the military were putting their control system in operation.

Air traffic remained severely reduced today despite the military intervention and the main Paris airport at Orly handled fewer than 100 flights. On a normal day it handles more than 500.

Most of the aircraft which took off and landed today were foreign airliners. Pan American, World Airways and British European Airways both said they expected their Paris operations to return to normal now that the military were in place.

However, the French pilots' union said its members would refuse to fly in or out of France while the military handle control operations. They say the military are not experienced in handling civilian traffic.

The French airlines Air France and Air Inter threatened legal action against pilots who refused to fly.

The pilots' union has called a separate 48-hour protest strike beginning Wednesday, the day the controllers are due to return to work unless they again extend their strike.

The International Federation of Air Line Pilots has approved the French pilots' strike call, raising the possibility of a general boycott of French airports by foreign pilots.

A spokesman for French Transport Minister Robert Galley said today that the government could not yield the right to strike to the dissident controllers, nor could it grant them more money without jeopardizing the national budget.

Air France sources said the company was losing 10 million francs a day as a result of the strike, which has cut flights in and out of the country by 80 percent.

The Many Irelands

While Jack Lynch, campaigning for the success of his Fianna Fail party in the Irish Republic's election Wednesday, was joking with a youngster in a Tipperary tavern, another boy was dying in a Londonderry hospital after accidentally tripping the wire of a land mine. Mr. Lynch's public campaign in southern Ireland deals almost wholly with such subjects as inflation and taxes and the issues will be resolved by the ballot; 10-year-old Gordon Gallagher died because Northern Ireland is ripped apart by violence over complex issues that show no signs of ever being resolved.

Jack Lynch's campaign and young Gallagher's death form one measure of the difference between the Republic of Ireland and that part of the island that belongs to the United Kingdom. But the divisions in Ireland cannot be described so simply. Mr. Lynch believes in the ultimate unity of the Irish people, but he opposes the Irish Republican Army, which is using force to try to achieve it. Northern Ireland was formed because its Protestants did not want to be absorbed into the predominantly Catholic South, and clinging to Great Britain to avoid that contingency. But William Craig, one of the Protestant activists, has suggested that the British Army, which has tried to interpose itself between the warring factions in the North, get out, and let Northern Ireland become an independent dominion. Some of the Catholics have responded to the idea. There is a grim reminder here, not only of the contradictions that make the Irish problem so

thorny, but of the Arabs and Jews in Palestine who tried to hasten the British departure in 1948 so that they could fight it out on their own terms.

What are the real issues that divide the Irish? Religion has formed the most convenient label of differentiation, just as it once did in Canada. But no one would seriously contend today that the Canadian struggle between separatism and federalism is one between Ontario's Orangemen and Quebec's Catholics. Ecumenicity has gone much too far for that. Is it language—still a very vital issue between French-speaking Canadians and those whose tongue is English? Ireland's Gaelic is a cultural heritage and a nationalist fringe on the flag. Is the difference ethnic? The Scottish lineage of the North is hardly worth dying about, in itself. As for economic theories, North and South are hardly separated in that respect—in fact, the economic left in the IRA constitutes one of the unifying elements against that organization on both sides of the line.

History and habit must be classified as the chief villains in the tragedy—and they are sturdy foes for any rational humanity, as the United States knows full well from its own racial tribulations in the teeth of the law and the Constitution. Many solutions have been put forward, many have been tried, to solve the Irish problem—and they produced only a multiplication of Irelands. The one that has not been attempted is the application of common sense, because that is the rarest quality in the world—and always has been.

Gods, Graves and Scoundrels

When Lord Elgin picked up the famous Elgin Marbles—notably the magnificent relief sculptures on the Parthenon in Athens—and deposited them in the British Museum in London, Lord Byron denounced him as a dishonest and rapacious vandal. But in those days the removal of great works of art from the country of their origin could still be justified. The natives often did not appreciate their cultural heritage. Some of them destroyed, neglected or misused it. Besides, in Lord Elgin's time, archaeological sites and historic places and churches were often all but inaccessible to the connoisseurs and scholars who could channel their enjoyment and appreciation into the mainstream of human civilization. The British Lord Elgin, no doubt, did more to make the Western world aware of its great Greek heritage than any Greek could have done in his time.

But that was more than 150 years ago. Today cultural awareness and interest is no longer a prerogative of rich countries. Neither is scholarship. What with easy, quick and relatively inexpensive travel, experts and laymen alike have access to just about all the art and beauty in the world in its original and appropriate setting. The removal of one country's cultural heritage to another is no longer justified. It is often, in fact, as Lord Byron said, "rapacious vandalism." And if we consider the murky ways in which leading American museums have recently enhanced their bulging hoards with priceless art works from abroad, Lord Byron's charge of "dishonesty" does not, alas, seem far-fetched either.

Just three years ago, for instance, there was something of an international scandal about the mysterious ways the Boston Museum of Fine Arts came into possession of a dazzling hodgepodge of Bronze Age gold treasures, presumably from Turkey. Two years ago, the Italian government complained that the Boston Museum's newly acquired Raphael, a childhood portrait of the Duchess of Urbino, had been illegally smuggled out of Italy. The museum, in the end, preferred to return the painting, rather than give a clear accounting of the manner in which it was acquired.

International Opinion

The Vietnam Conference

The Vietnam conference in Paris may show to some extent what the major powers intend to do—or avoid doing—in order to prevent the 1973 cease-fire agreement from sooner or later resulting in all Indochina being dominated by North Vietnam's national Communism. While America's reputation demands that non-Communist South Vietnam does not collapse—or at least not prematurely—China oddly enough also has a parallel interest in a not-too-monolithic Indochina. The militant independence and ex-

pansionism of the Vietnamese has always been a thorn in China's side. Behind all its surface congratulations to Hanoi, Peking could well be interested in promoting, in South Vietnam as well as Cambodia and Laos, all manner of "opposition" forces, whether non-Communist or Communist of a different shade than Hanoi. And although Moscow maintains an ambassador in Cambodia and good relations with Souvanna Phouma, the Russians are more interested in a strong Hanoi than are the Chinese.

—From the Neue Zürcher Zeitung (Zurich).

In the International Edition

Seventy-Five Years Ago

February 27, 1898

ATHENS—The King of Greece was returning from Phaleron this evening with Princess Marie, when two men hidden in the ditch running parallel with the road fired on the royal carriage. The first shot missed; the second struck the groom in the foot. When the second bullet was fired, the king rose to shield Princess Marie. One of the horses was also slightly wounded, and they went off at a gallop. Seven other shots were fired after the carriage, but fortunately without result.

Fifty Years Ago

February 27, 1923

WASHINGTON—In a surprise move, President Harding has submitted to the Senate Foreign Relations Committee a proposal that the United States should become a member, with certain reservations, of the Permanent Court of International Justice at The Hague, established under the League of Nations. The committee is divided, and there seems little prospect of the Senate sanctioning membership in the court at this session, which ends on March 4.



'A Little Raw Meat Should Make Him Happy'

Power and Innocence

By Anthony Lewis

LONDON.—As the foreign ministers assembled in Paris for the international conference on Vietnam, Tran Van Lam of Saigon made a comment that for once could win general agreement. The unstated purpose of the meeting, he said, was "to de-Americanize the peace."

Those words reflect the curious nature of this conference. For its fundamental decision has already been made by the United States, and that is to leave Vietnam to the Vietnamese. The particular form has been accepted after tortuous negotiations by the warring Vietnamese parties, and the function of this meeting is to endorse it.

A rich strain of irony runs through the whole affair. An agreement that Vietnam should be free of external Western interference was supposedly reached at Geneva in 1954. But the United States refused to accept the agreement, joined in sabotaging it and then entered and repeatedly escalated the resulting military conflict.

Accept Agreement

In the peace terms last month the United States at last formally accepted the Geneva agreement. Yet President Nixon has thrilled the AFL-CIO Executive Council by comparing his own job to theirs but then fell far short of meeting their demands for protectionist trade legislation.

Indeed, no reconciliation of basic differences between AFL-CIO President George Meany and President Nixon emerged from their meeting here. On the contrary, Mr. Nixon's unwillingness to go all the way with labor's new protectionists is by far the most divisive element in the fragile entente between the President and the union brass.

Instead of endorsing the AFL-CIO's specific protectionist aims when he addressed Meany and the Executive Council behind closed doors, Mr. Nixon attempted to enlist their help with an ingenious argument. In effect, he told them as follows:

Your job and mine are very similar. You cannot go into a bargaining session with management unless you have the right to strike. I could not end the Vietnam war unless I, too, had the right to strike (a reference to his highly successful December bombing of Hanoi and Haiphong).

The President then drew an analogy with his need for new trade legislation, saying that he could not possibly deal with the flood of imports from Japan and West Germany "unless I have the right to strike" by imposing higher tariffs and other protectionist devices.

Only Details

Exactly what happened in the peace talks is not clear to outsiders. But even assuming that Hanoi gave ground because of the bombing, what is the actual difference between the October draft and the final agreement? Some verbal implications of South Vietnamese sovereignty, larger foreign trade teams, details—distinctions that hardly anyone today would consider worth a day of war, much less that bombing.

But the factual issue is, of course, not decisive. The real point of difference between the American government's apologists and its critics is a moral one. The government's concern last fall, as it had been for years of the war, was primarily with its own face. The crucial need was for terms that could be sold politically; anything that worked in that sense was good, whatever further misery it meant to the Vietnamese. But some Americans, millions of us, rejected the idea of a policy without moral content, without concern for the means used. And while it is right that the divisions in American society should be healed, that lesson—the lesson of power and false innocence—cannot be forgotten.

Meany vs. Nixon

By Rowland Evans and Robert Novak

MIAMI BEACH.—The deep ambivalence among labor leaders toward Richard M. Nixon surfaced again here when he thrilled the AFL-CIO Executive Council by comparing his own job to theirs but then fell far short of meeting their demands for protectionist trade legislation.

Indeed, no reconciliation of basic differences between AFL-CIO President George Meany and President Nixon emerged from their meeting here. On the contrary, Mr. Nixon's unwillingness to go all the way with labor's new protectionists is by far the most divisive element in the fragile entente between the President and the union brass.

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Powers Needed

Further, Mr. Nixon said that he knew a labor leader could never marshal the full strength of his international union unless he had all the power of his local unions in his own hands. Translated, that meant Mr. Nixon could not deal with Japan and West Germany on burgeoning imports unless Congress gave him all the powers he needed.

Leaving that private session with Mr. Nixon, one labor leader was enthusiastic. "He's talking my language," he said. Another said he felt President Nixon was one of the few politicians "tough enough" to make the Japanese and West Germans "sweat it out" on the trade issue.

That was precisely the reaction

day would consider worth a day of war, much less that bombing. But the factual issue is, of course, not decisive. The real point of difference between the American government's apologists and its critics is a moral one. The government's concern last fall, as it had been for years of the war, was primarily with its own face. The crucial need was for terms that could be sold politically; anything that worked in that sense was good, whatever further misery it meant to the Vietnamese. But some Americans, millions of us, rejected the idea of a policy without moral content, without concern for the means used. And while it is right that the divisions in American society should be healed, that lesson—the lesson of power and false innocence—cannot be forgotten.

What worries skeptical labor leaders is that Mr. Nixon will use the muscle of the AFL-CIO to persuade the Democratic-controlled Congress to grant him extraordinary tariff-raising and quota powers but, after gaining the authority, will not use it to the degree wanted by the AFL-CIO.

Moreover, according to those who listened carefully to him last week, Mr. Nixon never mentioned one of the principal trade demands of big labor (spelled out in the labor-backed Burke-Hartke bill): that income earned abroad by multinational U.S. corporations be taxed when earned, not stay untaxed until it returns to this country.

The President's failure to mention this priority goal of labor, designed to make multinationals less financially attractive, was viewed by the AFL-CIO's trade experts as a tip that Mr. Nixon has no intention of accepting it. Further, some felt his silence also indicated a fundamental disagreement by the President on whether the multinationals contribute significantly to unemployment in this country.

Far From Reality

Thus, the highly touted compromise between the White House and labor on protectionist trade legislation is not even approaching reality. To the contrary, if Mr. Nixon's new tariff-raising bill (still in the drafting stage) falls to meet labor's demands, the trade issue itself might wreck the highly tentative new working relationship between the President and Meany.

Meany does not want that to happen. He will keep his own door open to the President, and he himself plans to use the open door at the White House—to stall off anti-labor legislation, bargain for maximum flexibility in wage ceilings under Phase 3 and in other ways protect labor's interests.

But the heart of his problem is trade, and on that score the Nixon-Meany meeting here settled nothing.

Claire Sterling

From Rome:

Although Italian cabinets always include a minister whose sole task is to study bureaucratic reform, the incumbent cabinet...

is the first to have actually dipped a toe in the water.

ROME.—Some days ago a group of Socialist deputies here proposed a bill in the Chamber of Deputies that would pierce most Italians to the heart. It provides that anybody who writes a letter of recommendation to help somebody else get on the public payroll would be fined up to \$700 and anybody receiving such a letter who fails to notify the authorities would be fined up to \$350.

One good thing about the law, according to the Roman daily newspaper, is that it should bring in enough revenue to balance the Italian budget. But how many Italians would own up to, still less pay up for, this civic sin—not to speak of giving it up altogether—is a big question.

The letter of recommendation is not just normal political currency in Italy: it is a national institution. Almost any Italian can talk somebody or other into writing one for him, to a third party who may be a stranger to both. I myself have frequently been embarrassed in refusing to write one for a maid, say, whose nephew might want a job in the post office. The fact that I have never met the nephew and have no influence in the post office (alas) rarely cuts much ice with the maids, who usually conclude that I have some grudge against them. Such letters are not merely written about jobs. They are generally the quickest and often the only way through an impenetrable bureaucratic jungle, so as to get anything done from obtaining a driving license or paying a gift package out of customs to securing judicial clearance for an insurance claim or installing a telephone. Nevertheless, a primary purpose of these letters is indeed to get government jobs, and considering the prize it is certainly worth the gamble.

Quota System

Not all of Italy's million-add state employees have gotten where they are solely through letters of recommendation. A good many have gotten in on a quota system established by the government—though even here the letter of recommendation comes in handy—allocating fixed numbers of posts to Italians afflicted by natural or man-made disasters: earthquake and flood victims, those made homeless when the giant Vajont dam fell down, others expelled from Italy's former Libyan colony, war veterans, handicapped persons.

Essentially, as a high government official suggests, this makes the Italian state a sort of charity organization, while those in its employ largely work as volunteers. Once past their six-month trial period, they don't have to work unless they want to. Nobody on the state payroll can be fired unless he commits a crime and actually goes to jail. Officially, gross inefficiency is a cause for dismissal also. But such is the state's fear of tangling with its own bureaucracy should an aggrieved employee appeal his dismissal to the Council of State that nobody has been fired on these grounds for a century. Indeed, most Italians holding a government job get an "A" on their annual report cards, lest they might otherwise appeal to the council for want of automatic promotion.

The promotions are necessary anyway to make room for fresh recruits lower down, when new earthquakes occur or politicians are particularly hard-pressed on the eve of elections. The number of vacancies thus expanding while the individual's work shrinks may help to explain why Italy has 60,000 public boards officially classified as useless, whose liquidation has been decreed but cannot be effected in less than 10 years. (Even when they are finally suppressed, as 77 have been so far, some still manage to go on living.)

It is not easy to say how much these million employees are paid. Some 300 extras might be lacking on to their basic wage, from a penny a day upwards; and possible deductions for relief items

such as earthquakes, Vajont-Libyan refugees, war veterans and invalids add up to an average 13 percent of their take-home pay. What with one thing and another, some may earn as little as \$250 a month, and others four, five, and even 10 times as much, not always or necessarily for higher-ranking positions. Whatever they do earn, though, most make out better financially than they would for comparable work "outside"—and if they don't always get rich, they can at least count on a lifetime job.

Baffled

All things considered, then, the wonder is not that the Italian bureaucracy functions so badly but so well. Nevertheless, it still takes three years for the necessary papers to get through various ministries before a community can build a schoolhouse, and the national government itself continues to be baffled by a peculiarly Italian phenomenon known as the *residui passati*—money allocated but never spent because all traces is so hopelessly lost in some ministerial swamp that the government has yet to lay hands on some \$25 billion earmarked for public investment over the past decade.

Obviously this is not good enough for a country in which personal incomes have tripled in a single generation and a new car is put on the road every five minutes. Yet the reactions of an unfailingly incredulous public to every effort at modernizing the service suggests something of the problem's dimensions.

Although Italian cabinets always include a minister whose sole task is to study bureaucratic reform, the incumbent cabinet headed by Premier Andreotti is the first to have actually dipped a toe in the water. Its initial decree, in effect since last December, only deals with 12,000 super-bureaucrats of high managerial or diplomatic rank. Known as the "voluntary exodus" decree, this measure was supposed to thin down these higher echelons to about 7,000 and get rid of the dead wood by offering handsome rewards for early retirement: pensions and lump-sum compensation seven years ahead of time, so generously calculated that an "inspector-general" could retire after 37 years of service with \$60,000 and a \$1,200 monthly pension—three times more than he would have gotten otherwise, seven years later. Meanwhile, younger men have been offered dazzling wage increases as an inducement to stay on and work harder. So far, though, the dead wood has tended to linger while the younger men leave. Of the few hundred accepting the government's offer up to now, most are those still limber enough to collect another good salary elsewhere while collecting their pensions.

It is this first attempt at reform that does not appear to have struck the right note, there is no assurance that last week's Socialist proposal to parliament would either. Nobody doubts that hiring by merit instead of recommendation (for compassion) would do the Italian civil service a world of good. What is to be doubted, however, is whether any law could impose civic virtue of a high order. When and if the day comes that Italians no longer think they need a letter of recommendation to get a job, law like this would no longer be necessary. Until then, it would scarcely be much use, considering the notice likely to be taken of it.

The International Herald Tribune welcomes letters from readers. Short letters have a better chance of being published. All letters are subject to condensation for space reasons. Anonymous letters will not be considered for publication. Writers may request that their letters be signed only with initials, but preference will be given to those who signed and bearing the writer's complete address.

Dollar Firms In Europe as Gold Declines

U.S. Trade Figures, Bank Rate Rise Cited

PARIS, Feb. 26 (AP)—The dollar firmed today on European currency markets.

Dealers cited two main reasons for the improvement—the week-end announcement of the narrowing of the U.S. trade deficit in January to a seasonally-adjusted \$203.8 million from December's \$441.1 million, and the news that domestic U.S. interest rates are being allowed to rise.

The dollar's improved performance, following modest central bank intervention late last week, and reports that several European financial officials are encouraging the United States to sell some of its gold on the free market, were credited for causing a sharp slump in the price of gold today.

The afternoon fixing price in London was \$80.70 an ounce, down \$4.30 from Friday afternoon and well below the fever-high \$95 an ounce touched briefly in hectic trading last week. In Zurich, dealers were quoting gold at \$80 bid, \$82 asked at the close, down from \$85-\$87 on Friday.

Changes on the foreign exchange markets were minor today compared to last week's hectic swings, but the dollar remained below its central rate against the deutsche mark and French franc.

One Dollar—

LONDON (AP)—The late or closing market rates for the dollar on the major international exchanges:

| | Today | Previous |
|---------------------------|--------|----------|
| ster. (per \$) | 2.46 | 2.46 |
| Belg. fr. (100) | 35.75 | 35.75 |
| Deutsche mark (100) | 36.75 | 36.75 |
| French franc (100) | 6.55 | 6.55 |
| Italian lira (1,000) | 20.35 | 20.35 |
| Netherlands guilder (100) | 3.60 | 3.60 |
| Swiss franc (100) | 4.75 | 4.75 |
| Yen (100) | 360.00 | 360.00 |

At Free B. Commercial.

U.S. Denies It's Weighing Sales of Gold

WASHINGTON, Feb. 26 (Reuters)—The Treasury Department has denied a report that the United States is discussing the possibility of selling some of its gold reserves.

Commenting on a Washington Post report that the United States is considering such a move to cool speculation in world currency markets, a Treasury spokesman said: "There has been no contact or discussion with any foreign government on the subject of gold sales in recent days."

Diplomatic and monetary sources also reported that there is little feeling here to substantiate the possibility of a unilateral U.S. move to sell gold.

FINANCIAL NEWS AND NOTES

Banque Worms Acquires Lu-Brun

Banque Worms and its industrial holding affiliate, Fecelbronn SA, have acquired slightly over half the capital of French biscuit maker Lu-Brun et Associés SA from Banque Neufville-Schumacher-Mallet (NSM). NSM's stake included 20 percent held directly and an option on a further 30 percent reportedly acquired last summer on behalf of Britain's United Biscuits Group. Banque Worms expects to negotiate technical and commercial agreements between United Biscuits and Lu-Brun, which will enable the latter to introduce new product lines and increase its export possibilities. The bank indicates that it sees the acquisition of the stake in Lu-Brun as forming the basis for the construction of a European food group, based mainly in France. Lu-Brun, with annual sales of about 250 million francs, accounts for about 20 percent of the French market.

Trading in Levitz Shares Criticized

New York State Attorney General Louis J. Lefkowitz charged unidentified officials of Levitz Furniture Co., as well as unidentified stock brokerage firms, securities analysts, mutual funds and hedge funds and other institutional investors with having engaged in securities dealings in Levitz Furniture stock "that were contrary to the interest of the general public." Mr. Lefkowitz based his charges on a 495-page study made after a year-long investigation of the trading of Levitz stock starting with the initial issuance of 350,000 shares in 1968. Levitz officials say much of the report is "largely an attack against practices in the securities and investment field. But since Levitz is the only company mentioned by name, the impression is given that the whole report is about Levitz and its stock." Mr. Lefkowitz maintains that the report shows a possible need for

new federal and/or state regulations in enforcement procedures governing stock trading.

CGE, Babcock Sign Breeder Pact

Cie. Generale d'Electricite has signed a 15-year industrial cooperation agreement with Babcock & Wilcox Inc. in the field of fast breeder nuclear reactors. The industrial grouping will make fast breeder liquid sodium nuclear power stations following the technique of the French Atomic Energy Commission. The first result of the CGE-Babcock pact is expected to be in the form of a joint bid for the construction of the French-German-Italian 1,200-megawatt reactor to be built at Malville, east-central France. The bid likely will be carried out through Groupement Atomique Alsacienne Atlantique, in which CGE and Babcock have a 30 percent interest each. Construction of the Malville reactor is scheduled to begin in 1975 and be completed by 1980. Electricite de France will have a 51 percent interest, Rheinisch-Westfaelische Elektrizitaetwerke (RWE), the German partner in the project, 33 percent, and Ente Nazionale Electricita (ENEL) of Italy 16 percent.

U.S. Machine Tool Orders Rise

The U.S. machine tool industry got off to a strong start during January, according to figures released by the National Machine Tool Builders' Association. New orders outstripped shipments by a ratio of almost 2 to 1. New orders for all types of new machine tools reached \$19.9 million, or 15.3 percent higher than the \$17.2 million placed in December. This also represented a gain of 15.4 percent over the January, 1972 level. Shipments of new machine tools totaled \$20.8 million, down 22.2 percent from December but 62.6 percent higher than January, 1972. The industry's total backlog of unfilled orders reached \$1.05 billion at the end of January against \$841.1 million a year ago and \$826.2 million at the end of 1972.

British Output Seen Growing By 5% a Year

LONDON, Feb. 26 (Reuters)—The National Institute of Economic and Social Research (NIESR) said today it foresees continued growth in the British economy.

Between the second half of last year and the first half of next year, output is expected to grow at an average annual rate of 5 percent.

The NIESR said its forecast calculations are based on the institute's interpretation of "present policies." For convenience, exchange rates are set at \$2.35 to the pound, with other currencies at their end-1972 parities. The prices and incomes policy is assumed to be "successful."

Exports of goods and services from Britain are forecast to rise at 7.5 percent per annum. Private fixed investment is also forecast to pick up, with the total growing possibly 5 to 5.5 percent per annum.

The institute foresees the start of a sizable upturn in manufacturing investment, which may on average grow by 13 to 14 percent per year during the forecast period.

Consumers' expenditure is forecast to grow by around 4 percent a year, somewhat lower than recently, while a significant recovery in building inventories is still expected. The volume of imports is forecast to rise by over 9 percent.

Current accounts are expected to show a deficit of \$275 million in 1973, given the trends expected in the volumes of exports and imports and a sharp worsening of the terms of trade resulting from last year's devaluation and the recent and prospective rise in world prices.

Nixon Aide Opposes Curbs On Imports as Deficit Cure

WASHINGTON, Feb. 26 (AP)—Despite its sympathy for congressional sentiment to limit imports to correct America's trade deficit, the administration today told Congress the cure was not reducing imports but increasing exports.

Peter M. Flanagan, President Nixon's aide for international economic policy, told a Senate subcommittee that, while the President will soon seek authority to raise tariffs, the administration opposes an across-the-board barrier to imports.

"Such attempts can only invite retaliation against our exports, limit consumer choice, and increase prices," he told a finance subcommittee on foreign trade. Mr. Flanagan added: "Instead of import quotas, we need policies which will increase exports."

Study of Impact

The subcommittee is looking into the impact of multinational corporations in U.S. foreign policy and their role in the monetary turmoil that brought about the recent 10 percent dollar devaluation.

Congress has before it again this year a labor-backed bill to protect domestic industry from foreign competition. Called the Burke-Hartke bill, it would remove tax and other incentives for U.S. firms to operate abroad, would control and curb export of U.S. technology and capital, and would limit imports that adversely affect U.S. production and jobs.

Meanwhile, firing the first salvo in the congressional debate on U.S. trade policy, Sen. Abraham Ribicoff, D., Conn., said: "This nation's economic standing in the world is at a low point."

Sen. Ribicoff's statement, released at the start of the subcommittee hearing, said: "Those who maintain that the two devaluations of the dollar will take care of these serious (trade

Tougher Line On Trade by U.S. Signaled

Rules May Be Changed On Alien Contract Bids

By Edwin L. Dale Jr.

WASHINGTON, Feb. 26 (AP)—The Nixon administration has quickly given a signal of its "tougher" foreign trade policy in a little-noticed announcement by the Interior Department, earlier this month of worldwide bidding for huge turbine-generators for the Grand Coulee Dam in the state of Washington.

Foreign bidders—including possibly the Soviet Union—can seek the contract, the announcement said, with the only advantage to U.S. bidders being the normal 6 percent "buy American" differential required by law.

But each foreign bidder must also submit a statement from his government disclosing its official policy on procurement of heavy electrical equipment of this kind. The Interior Department announcement continued:

"Although such statement will not be considered as a factor in the evaluation of current bids, the information provided will be used in reviewing the need for possible changes in the existing procurement policy of the U.S. government for such equipment."

"The United States has long complained that most other nations, either by explicit regulation or by habitual practice, limit government procurement of this type to suppliers from their own country. Negotiations to reach agreement on the same rules for all have dragged on unsuccessfully for years."

Shah, Oil Group Reach an Accord

LONDON, Feb. 26 (AP)—The Iranian Oil consortium has reached a general understanding with the Shah of Iran on its future operations in Iran.

The understanding was achieved in what a consortium spokesman described today as "very satisfactory" talks between the Shah and consortium representatives in St. Moritz, Switzerland.

The understanding comes five weeks after the Shah warned that he would not renew the consortium's existing operating arrangements in Iran beyond 1973.

Bank Rate Move Hits N.Y. Prices

By Vartan G. Vartan

NEW YORK, Feb. 26 (AP)—Prices on the New York Stock Exchange declined today in the initial response to higher interest rates announced over the weekend. More than 1,000 issues finished with losses.

A late rally, however, enabled the Dow Jones industrial average to cut its maximum loss by half. The Dow closed at 853.76 with a loss of 6.10. But it was down more than 12 at 1:30 p.m. On Jan. 11, the Dow posted its record closing high at 1,051.70—or 98 points above today's finish.

The market's action followed two critical moves by government authorities. The Federal Reserve raised its discount rate from 5 to 5 1/2 percent on Friday night. At the same time, the Committee on Interest and Dividends gave a tacit green light for commercial banks to increase their prime rate from 6 to 6 1/4 percent.

Some bank stocks countered the market's downward trend by registering gains. Ahead by a point or more were First National City, Bankers Trust New York and J.P. Morgan.

Gold and precious metal stocks, after shining performances during last week's currency turmoil, fell on profit-taking.

American-South African Investment dropped 2 7/8 to 52 5/8, while Dome Mines declined 3 1/2 to 80.

Fast-food and franchise issues displayed notable weakness, following a published report that projected a slowdown in profits for a pair of institutional favorites—McDonald's and Ponderosa Systems.

McDonald's fell 1 3/4 to 57 5/8; Ponderosa plunged 3 7/8 to 60 1/2.

Also on the active list was another food franchiser, Denny's, which fell 1 1/4 to 15.

Matell, topping the active list for the second day, rose 3/4 to 6 1/4. It slumped 1 1/2 on Friday.

Company Reports

Diamond International

| | 1972 | 1971 |
|--------------------|--------|--------|
| Revenue (millions) | 602.54 | 557.18 |
| Profits (millions) | 37.77 | 36.01 |
| Per Share | 3.17 | 3.03 |

Litton

| | 1972 | 1971 |
|--------------------|--------|--------|
| Revenue (millions) | 653.03 | 600.56 |
| Profits (millions) | 11.11 | —6.03 |
| Per Share | 0.27 | —0.21 |

First Hall

| | 1972 | 1971 |
|--------------------|---------|---------|
| Revenue (millions) | 1,303.0 | 1,156.0 |
| Profits (millions) | 20.54 | 5.56 |
| Per Share | 0.49 | 0.07 |

But Dow's Loss Cut by Late Rally

after officials forecast a "substantial operating loss" for the newly-ended fiscal year.

Automotive stocks were steady to fractionally lower despite a sharp increase in mid-February car sales.

Heavily-traded Pac. American World Airways was unchanged at 8 3/4. It cut its January per share loss almost in half compared with the year-ago period.

Prices declined in moderate trading on the American Stock Exchange. The Amex index fell 0.16 to 34.91, while declines outnumbered advances, 696 against 231. Turnover was 3.68 million shares compared with 3.94 million on Friday.

Major U.S. Banks Increase Prime Rates to 6 1/4 Percent

NEW YORK, Feb. 26 (AP)—Major U.S. banks raised their prime lending rate today following the Federal Reserve Board's decision late Friday to raise the discount rate and the administration's subsequent authorization for a prime-rate increase.

The prime rate—the amount of interest charged by banks to their most credit-worthy corporate borrowers—moves to 6 1/4 percent from 6 percent, and is effective immediately.

Banks making the move included Girard Bank of Philadelphia, First National City, Chase Manhattan, Chemical Manufacturers Hanover Trust, Franklin National, Bank of New York and Bank of America.

The move to the higher rate was signaled late Friday, when the Fed decided on an increase in the discount rate—the interest charged on loans by the 12 Federal Reserve banks to commercial banks—to 5 1/2 percent from 5 percent. Only four regional Fed banks were initially included in the move, but the other eight are expected to adopt the increase this week.

At the same time as the Fed acted, the government's Committee on Interest and Dividends told Girard Bank that a prime rate increase to 6 1/4 percent was now "justified."

Earlier this month Girard, First Pennsylvania, Franklin National and Bank of New York increased their prime rate, only to rescind the action at the request of the committee.

The committee asked the banks to document the need for the higher interest rate.

Unlike its Jan. 12 rate increase to 5 percent from 4.5 percent, viewed as merely adjusting an artificially low discount rate, the Fed's latest action is seen as an indication that it expects other interest rates to rise, too. "While the discount rate shouldn't precipitate other increases, it will undoubtedly have a psychological effect for such a movement upward, especially since the whole climate lately has been in the direction of somewhat higher rates," said one government economist.

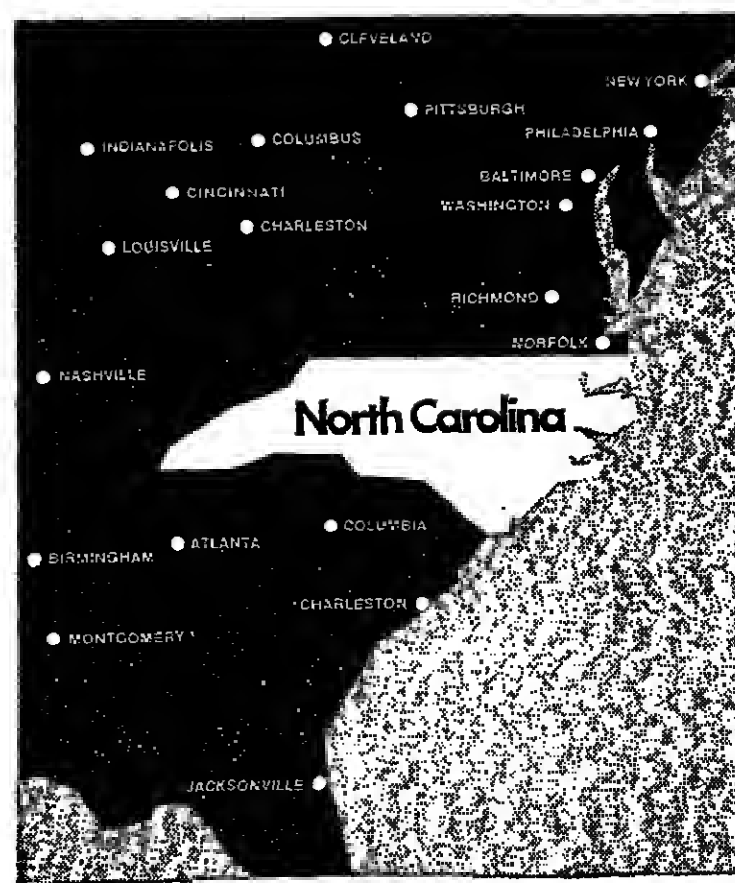
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Trade Surplus In Germany Dips In Latest Month

WIESBADEN, West Germany, Feb. 26 (Reuters)—West Germany's foreign trade surplus fell to 1.6 billion deutsche marks in January from 2.1 billion DM in December, but was higher than the 1.09-billion-DM surplus of January, 1972, the Federal Statistics Office said today.

The office said that imports rose by 26 percent, or 2.39 billion DM, to 11.71 billion in January, compared with the same 1972 month, while exports showed a year-to-year increase of 28 percent, or 2.92 billion DM, to 13.31 billion DM.

Compared with December last year, imports rose 382 million DM, or 3 percent, while exports slipped back by 839 million DM, or 7 percent.

The office said that after taking the trade figures together with those for invisibles, preliminary Bundesbank estimates show a current-account balance-of-payments surplus of 200 million DM in January against a December surplus of 1.8 billion DM and a deficit of 200 million DM in January last year.

ITT Corrects Profits

BRUSSELS, Feb. 26 (AP)—International Telephone & Telegraph headquarters in Brussels reports that the indicated fourth-quarter 1972 ITT profits and per-share earnings reported in the International Herald Tribune Feb. 18 were in error. According to the company, they should have read \$148.7 million, or \$1.15 a share, showing an 11.5 percent increase from the 1971 quarter as opposed to the 7.9 percent decrease reported in the ITT.

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AMSTERDAM

BANQUE DE COMMERCE ET DE FINANCEMENT
BANCOFIN SA
Tx 24 878
In Roubaix 57, 68, 321 39 54
In Paris 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100

Toronto Stocks

Mutual Funds

[illegible]

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C. G. Trinkaus & Burkhardt

International Bonds Traded in Europe

[illegible]

International Steel Index

| | Yest. | Prev. | Aug. |
|-----------------|---------|---------|-------|
| Amsterdam..... | 145.0 | 138.0 | 145. |
| Brussels..... | 159.25 | 159.20 | 162. |
| Frankfurt..... | 166.12 | 145.87 | 154. |
| London..... | 461.5 | 452.3 | 509. |
| London 600..... | 192.03 | 101.89 | 217. |
| Milan..... | 102.65 | 102.23 | 102. |
| Paris..... | 104.0 | 104.2 | 106. |
| Sydney..... | 563.85 | 568.39 | 631. |
| Tokyo (a)..... | 280.45 | 290.45 | 422. |
| Tokyo (b)..... | 5129.31 | 5112.73 | 5150. |
| Zurich..... | 396.9 | 389.9 | 416. |

(a) new. (b) old.

ADVERTISING

The position at 31 January 1972 shows a total of 86 billion francs, compared to 75 billion francs on 31 January 1971.

ket" is represented by 3.0
Non Fr. for deposits on site
20,000.9 million Fr. for installm

Company and sundry accounts 14,701.5 million Fr. and 7,611.5 million Fr. for installment accounts.

Current accounts reach 11,271.5 million Fr. in deposits on sight, 11,096.2 million Fr. for fixed-term deposits.

Fixed-deposit receipts show a 9,776.5 million Fr. increase.

The total of clients resources is 25,546.5 million Fr.

Under Assets, loans to portfolio companies, by 32,116.5 and divided as follows: 21,710.5 million Fr. for short-term credits, 9,828.5 million Fr. for medium-term credits, 7,476.5 million Fr. for long-term credits, debit accounts by 1,961.5 million Fr.

Loans and bank-banking are 15,571.5 million Fr. for the Generalized market, 1,961.5 million Fr. for the market on sight, and 15,571.5 million Fr. for installment accounts and loans.

European Gold Market

| | | | |
|-----------------------|--------|--------|---|
| London | \$3.00 | \$0.70 | — |
| Rich | \$4.00 | \$1.00 | — |
| Paris 112.0 kilos ... | \$0.65 | \$0.86 | — |

D.S. dollars per ounce.

Tokyo Exchange

Feb. 26, 1973

| | Yen | F |
|----------------|-----|----------------|
| Yahi Glass | 367 | Matsu Sh Wks |
| Canon Camera | 329 | Mitsubi Ry In. |
| Si Nip. Print. | 418 | Mitsubi Corp. |
| Yj) Bank | — | Mitsui Co |
| Yj) Photo | 405 | Mitsukoshi |
| Yachi | 236 | Nippon Elec. |

| | | |
|----------------|-----|------------|
| Panda Motor | 939 | Sharp |
| Itah | 275 | Shiseido |
| Imp. Air Lines | — | Sony Corp. |

| | | |
|---------------|-----|---------------|
| ao Soap | 529 | Taisbo Marine |
| trine Brewery | 375 | Takeda Chem. |
| omatsu | 341 | Teljin |
| ubota I Wks | 468 | Tokyo Marine |
| atsu E ind. | 700 | Toray |
| | | Toyota Motor |

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[illegible]



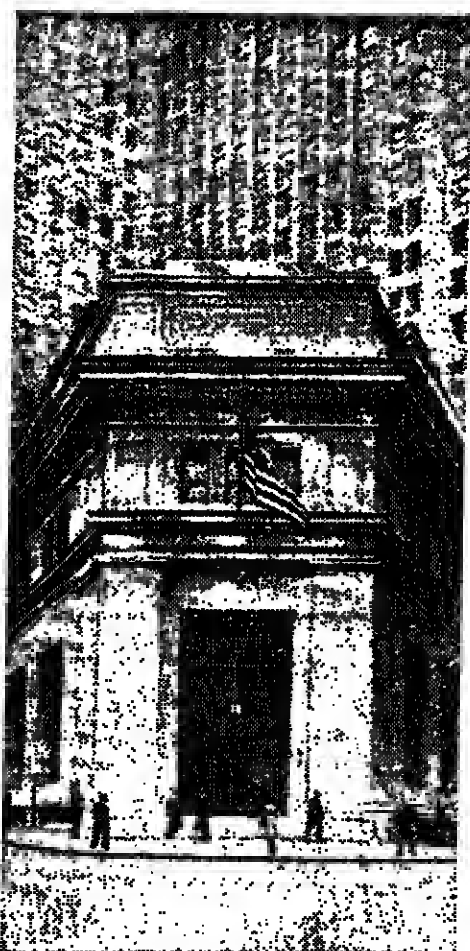
Charles d'Ursel, right, head of Morgan Guaranty's Brussels office on the Avenue des Arts, with the deputy general manager, John R. Glorieux

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February 26, 1973

French Francs

International Telephone and Telegraph Corporation

8.50% Debentures 1973-1988

Banque Nationale de Paris

Banque de Paris et des Pays-Bas

Crédit Commercial de France

The undersigned acted as financial advisers to FIT in this transaction.

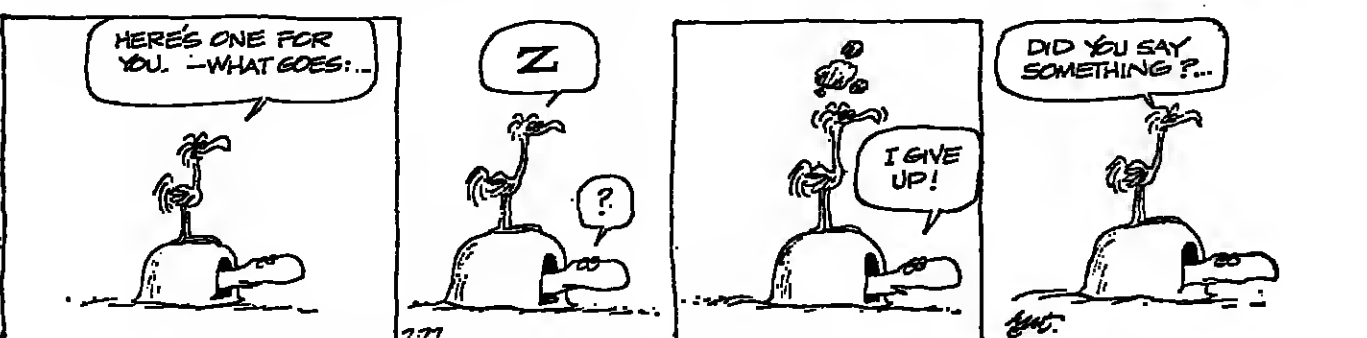
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Lazard Frères & Co.

PEANUTS



B.C.



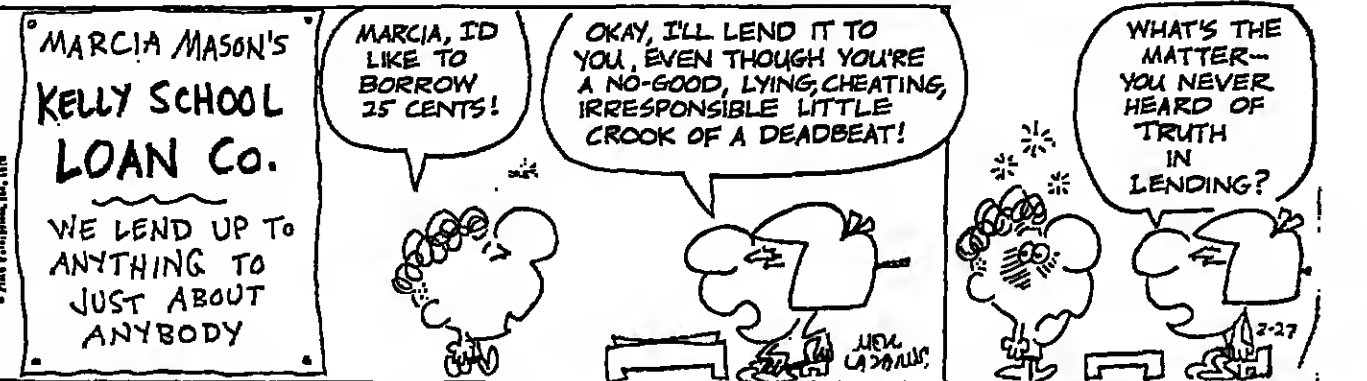
L.I.L. ABNER



BEE TLE BAILEY



MISS PEACH



BURZ SAWYER



WIAZRD of ID



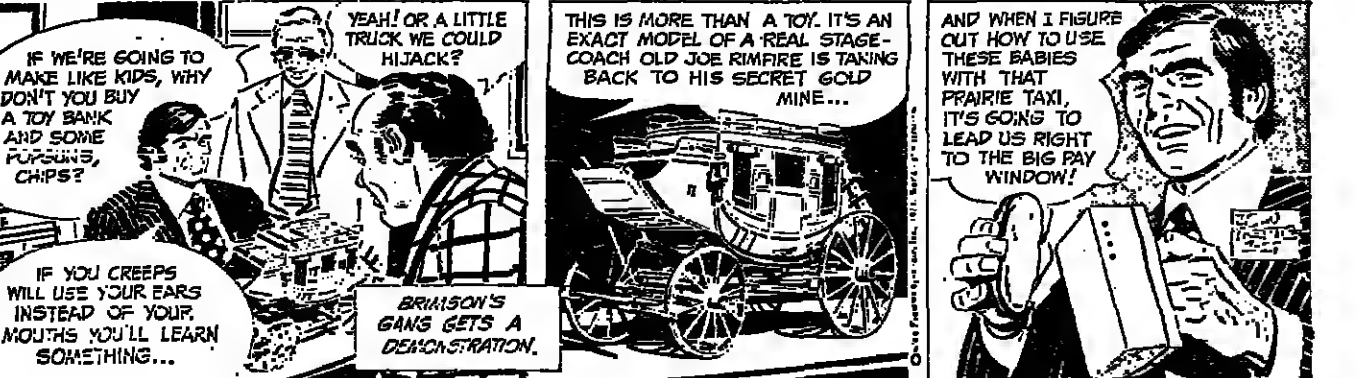
REX MORGAN MD



POGO



RIP KIRBY



BLONDIE



BRIDGE

By Alan Truscott

On the diagramed deal West could have formed a fairly accurate picture of South's hand. If he had done so, he would perhaps have appreciated that passive defense was not going to help him.

North and South were using Jacoby transfer bids, which accounts for the weird-looking auction. North's two-diamond response to one no-trump showed heart length, and South dutifully bid two hearts. He eventually found himself in four hearts after North had shown that he also held spades.

West led the club queen which won the trick. When the jack was played, South withheld the king again, for the ace was surely on his right and might have been a doubleton. When clubs were played for the third time South ruffed and began developing diamonds. He cashed the ace and ruffed a diamond, and then led the heart queen.

West held up his ace, but won the next trick when a heart was led to the king. Now West had to make a crucial play. In practice he played a fourth club,

which was ruffed in the dummy. Then the lead of the last heart from dummy proved highly embarrassing for East. He could not keep his guards in both the pointed suits, spades and diamonds, and had to give South his tenth trick.

After two tricks West had a complete picture of South's distribution: a doubleton club, since East was marked with the ace; three spades, since he did not raise that suit and could not have two doubletons for his no-trump bid, and three hearts, since he showed some liking for the suit but no enthusiasm in inference confirmed by the later play. Therefore he must hold five diamonds.

So when West won his heart ace he could have calculated that his partner must have the pointed queens and the spade ten for the defense to have any chance. So he should have shifted to spades. South could still have made his contract by going up with the spade king and sneaking East before. But he would be more likely to run the spade lead round to his hand, hoping to find one spade honor on his left. And the entry to the closed hand needed for the squeeze would have disappeared prematurely.

Terence White's "The Distance and the Dark" reveals the au-

BOOKS

JUDAH THE PIOUS

By Francine Prose. Atheneum. 279 pp. \$6.95.

THE DISTANCE AND THE DARK

By Terence White. Gambit. 277 pp. \$6.95.

Reviewed by Thomas Lask

THESE two novels, which have virtually nothing in common except the circumstances of contiguous publication dates, nevertheless provide such a broad spectrum of literary pleasures that they come together as much for their differences as for their similarities. Francine Prose's first novel, "Judah the Pious," reads like a folk tale, full of mysterious and improbable happenings, strange encounters and unpredictable turns of events. The hand of God can be felt hovering over all that occurs. In Terence White's most recent novel, "The Distance and the Dark," set in the contemporary Republic of Ireland, 40 miles from the border with Northern Ireland, the happenings are only too real, the events not at all improbable, and the satanic side of man glares out from his human disguise.

Although the setting for "Judah the Pious" is Poland, the court of the king and the city of Cracow, with the types of Jews one has encountered innumerable times before, it is not a novel of the generation gap between the orthodox and the agnostics or a novel of the breaking up of society under pressure of war and pogrom. It is, in short, not a novel similar to Robert Kottlowitz's recently published "Somewhere Else" or I. B. Singer's "The Manor." It is rather in the tradition of the European tale, in spite of certain Hasidic trappings, similar to "The Pardoner's Tale" in Chaucer or to Jack Dineen's "Seven Gothic Tales," to cite a modern example. But whatever category it belongs to, it is an unusual and impressive work, especially for a first novel, notably successful in tone and overall finish, full of sudden delights and mocking humor.

To the court of the king of Poland comes an old, nondescript rabbi, Elieser of Riminov, to ask the young monarch to rescind a ban on Jewish custom that has to do with the burial of the dead. In a few moments, the rabbi, without half trying, has the courtiers dismissed, and is himself seated on the throne, with the king at his feet listening to his rabbinic wisdom. King and sage make a formal wager. If the rabbi can convince the ruler that it is an error not to allow in one's philosophy for the unseen and improbable, then the king will allow the burial practice to be restored. Whereupon begins a long story, with digressions, interlards and surprising twists that eventually convince the king.

But between that opening gambit and the final concession lies a wealth of inventive story-telling. The novel belongs to a genre better served, I think, by being brief, and I must admit to a certain impatience as the story neared its end. Nevertheless, Miss Prose's fictional foray into this untraditional mode, still untraditional for an American writer, is a sure guarantee of interest in her future work. "The Distance and the Dark" reveals the au-

thor's usual sensitivity to the nuances of social relationships, to the realities behind the mannered forms of everyday existence, to the difficulties of maintaining a balance between the private and the public life. In Mr. White's world, form is as important as substance. Yet from the dramatic way in which this novel begins, it appears to be concerned with something other than the rough course of true love and human decency in an embittered world.

As the novel opens, one of the groups having the same aims as the Irish Republican Army is planning to rob the house of Gerard Harvey for guns, which the gang thinks are hidden there. Harvey is one of the remaining gentry in the area just south of the border. In the abortive try for the guns, Harvey's child is killed. This act brings on a series of crises in Harvey's life. For one, the child was born of a second wife, a woman much younger than he, who had long resented his pro-Unionist stand and the placidity of Irish country life.

The loss of her child turns her even more against her husband and causes her to seek solace in the arms of a wealthy horse breeder. The child's death also challenges Harvey's view of Irish union. But more than that, it sets him off against the people he had known all his life. For Harvey knows who killed his infant and tells the authorities about him. But then he learns that nothing will be done. No indictments will be drawn. Witnesses will not testify, juries will not convict. And some of the judges will not sentence.

How will Harvey bring his man to justice: kill him, track him down by other means, confront him and outwit him? One begins to think of the police inspector confronting Raskolnikov. But this initial phase of the novel is soon subordinated to crises of the heart. Harvey's wife leaves her affair with the stable owner, Harvey, seeking solace among his friends, finds himself falling in love with his friend's wife. That good woman in turn, trying to escape an intolerable situation, goes to her sister, whose husband has left her. And suddenly what is death is changed into a halcyon day.

Perhaps my expectations were wrong, but it was hard for me to become involved in these marital tangles when only a hedge or two away society was tearing itself apart. And when the political divisions act as a dense machinery to resolve all problems for Harvey it seemed to me hardly to be playing the game. Within a certain formula, "The Distance and the Dark" is a perfectly fine novel, but all I could think of as I finished it were all those superb but missed opportunities.

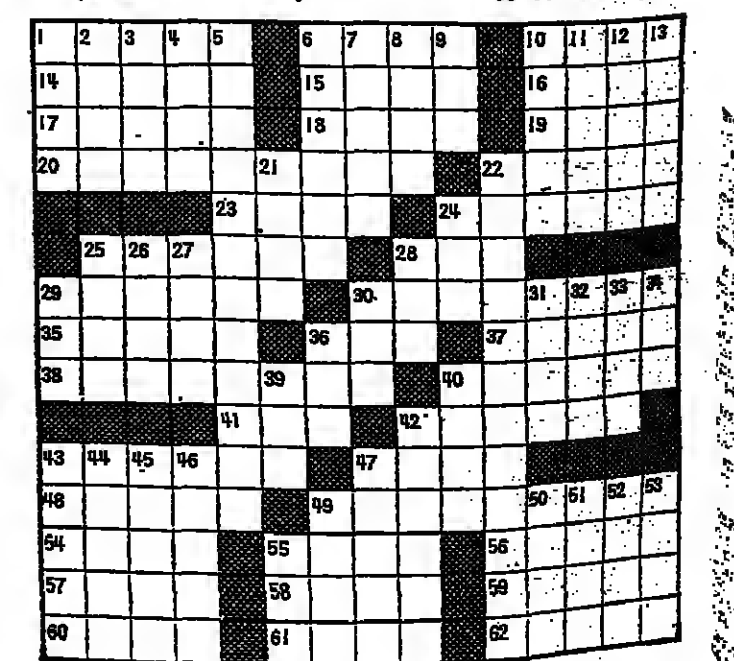
Mr. Lask is a book reviewer for The New York Times.

DENNIS THE MENACE



CROSSWORD By Will Weng

- | | | |
|----------------------------|---------------------------------|----------------------------------|
| ACROSS | 49 Josephine Ruff's Cadillac | 13 Pretence |
| 1 Type of roof | 54 Drizzle | 21 Gym pieces |
| 6 Mammoth, for one | 55 Go on about | 22 Between-halves V.I.P.'s |
| 10 Smeltery product | 56 English composer | 24 Drunkard |
| 14 Positive pole | 57 Helm position | 25 Drink |
| 15 Festivals | 58 Word of assent | 26 Feature of a Persian cat |
| 16 Divulge | 59 Hero of Sheridan's "Pizarro" | 27 This, in Spain |
| 17 Use the grill | 60 Spanish muralist | 28 Energy |
| 18 Style | 61 Sprightly | 29 Ribbed fabric |
| 19 Choir-loft occupant | 62 One of Churchill's three | 30 Wager |
| 20 Feeling | | 31 Took the bus |
| 22 Shouts | | 32 Actor Walter |
| 23 Mind | | 33 What Mother Hubbard's dog had |
| 24 Operates on sheep | | 34 Wall and Broad Abbr. |
| 25 Card sharps | | 36 Farm area |
| 26 U. S. writer | | 39 Charged atom |
| 29 Gives a panning to | | 40 "The Bell of" |
| 30 Part of V.F.W. | | 42 Kind of partner |
| 35 Top-drawer | | 43 States of torpor |
| 36 Use a straw | | 44 Old-womanish |
| 37 Automatic mechanism | | 45 Stair part |
| 38 Hanger-on | | 46 Musical work |
| 40 Plymouth family | | 47 Romeo or Don Juan |
| 41 Type of bean | | 49 Unchanged |
| 42 English essayist | | 50 Kind of worm |
| 43 Don Jose's gypsy friend | | 51 Give the eye to |
| 47 Money in Salerno | | 52 Mediocre |
| 48 Bermuda or Spanish | | 53 Mild oath |
| | | 55 Strike sharply |



JUMBLE - that scrambled word game

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

NIGLY
TINFE
INDIGH
DEGULC

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Find the surprise answer here

LIKE

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Answers Made to measure - A RULE

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